

HCFPAT11

Trial

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

-----x

3 UNITED STATES OF AMERICA,

4 v.

S4 15 Cr. 867 RMB

5 MEHMET HAKAN ATILLA,

6 Defendant.

7 -----x

8
9 December 15, 2017
10 9:11 a.m.

11
12 Before:

13 HON. RICHARD M. BERMAN,

14 District Judge
15 and a jury

16
17 APPEARANCES

18 JOON H. KIM,
19 United States Attorney for the
20 Southern District of New York
21 MICHAEL DENNIS LOCKARD,
22 SIDHARDHA KAMARAJU,
23 DAVID WILLIAM DENTON, JR.,
24 DEAN CONSTANTINE SOVOLOS,
25 Assistant United States Attorneys

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(APPEARANCES Continued)

HERRICK, FEINSTEIN LLP (NYC)

Attorneys for defendant Atilla

BY: VICTOR J. ROCCO, Esq.

THOMAS ELLIOTT THORNHILL, Esq.

- and -

FLEMING RUVOLDT, PLLC

BY: CATHY ANN FLEMING, Esq.

ROBERT J. FETTWEIS, Esq.

- and -

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BY: TODD HARRISON, Esq.

- and -

LAW OFFICES OF JOSHUA L. DRATEL, P.C.

BY: JOSHUA LEWIS DRATEL, Esq.

Of counsel

Also Present:

JENNIFER McREYNOLDS, Special Agent FBI

MICHAEL CHANG-FRIEDEN, Paralegal Specialist USAO

MS. ASIYE KAY, Turkish Interpreter

MS. SEYHAN SIRTALAN, Turkish Interpreter

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1 (Trial resumed; jury not present)

2 THE COURT: If I could have your attention. Is
3 Mr. Atilla on his way? Is he changing?

4 MR. ROCCO: Yes, he is changing, your Honor.

5 THE COURT: He's in the back?

6 MR. ROCCO: Not yet, your Honor.

7 THE COURT: I think I'll wait until he's here.

8 (Pause)

9 THE COURT: Is he here?

10 MR. ROCCO: He is here.

11 THE COURT: All right. So I have just two things. We
12 don't have all the jurors here yet. As soon as we do, we'll
13 proceed with the conclusion of the government's case and then
14 proceed to the defense case.

15 I have one issue, one announcement or maybe two
16 comments. So at the lunch break, I plan to rule orally on the
17 motion for a mistrial. I'm not suggesting anybody miss their
18 lunch for it, but I am going to do that. I suspect it will
19 take the better part of the lunch hour. So that's No. 1.

20 No. 2, I was disappointed, would be an understatement,
21 to receive the government's letter this morning, dated
22 December 15, advising that the parties were unable to reach any
23 accommodation or even process with respect to outstanding
24 objections by the defense to the government's admission of
25 exhibits. This is certainly a legal matter, but it's also

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1 somewhat of a technical matter, which I didn't think was that
2 cumbersome, but here's the disappointing part.

3 So we actually lost a half day of trial yesterday and,
4 candidly, I think wasted a precious half day as we head toward
5 the holiday season, because the defense was unwilling to either
6 review the documents, which they said they wanted to do
7 yesterday afternoon, or have the documents admitted over their
8 objection, with their objection noted, which was another option
9 made available to them. The second option probably would have
10 taken less than ten seconds; so that is really troubling.

11 You should read the December 15 letter from the
12 government in detail. I think it would behoove the defense to
13 submit a letter in response, if they don't agree with any of
14 the contents of the government's letter. If I were a cynical
15 person, I would say that we didn't have a trial yesterday for a
16 half day, an important half day because the defense -- I'm not
17 a cynical person -- but the defense was looking for more time,
18 which, in fact, was given, and put us in exactly the same
19 position at this moment that we were in before we sent the jury
20 home.

21 While I'm not cynical, I'm not happy either, and you
22 can be sure that between now and next week, there will be full
23 days of trial, including you should count on going past the
24 5:00 hour on a daily basis to make up any time that we've
25 missed. So that's all I have to say about that. We'll see if

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1 the jury is here.

2 MR. LOCKARD: Your Honor, given that we are where we
3 are, and that the government does need to rest its case before
4 the defense case begins, we would just offer the exhibits
5 identified --

6 THE COURT: Well, I think we're going to do this with
7 the jury.

8 MR. LOCKARD: Sure.

9 THE COURT: As part of the government's case, and
10 that's when it should happen, with the jury present.

11 MR. LOCKARD: Yes, your Honor. I just wanted to make
12 sure we agreed on that process.

13 MR. ROCCO: Your Honor, with the Court's leave, we're
14 going to submit a letter. Thank you.

15 THE COURT: I would hope you'd submit a letter.

16 The jury is here. We'll call them in, and we'll take
17 care of this procedural business.

18 (Pause)

19 THE COURT: Hold on one second. Who is that?

20 THE DEPUTY CLERK: The witness, Judge.

21 THE COURT: We're not ready for that.

22 (Jury present)

23 THE COURT: Hi. Please be seated, everybody. So we
24 just have a technical portion relating to evidence that I
25 expect will take no more than a minute or two, and then we'll

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1 proceed to the defense case.

2 Counsel for the government?

3 MR. LOCKARD: Your Honor, so I'm going to mark for
4 identification Government's Exhibit 9704, which is a list of
5 exhibits previously admitted subject to connection, and the
6 government offers those exhibits into the record.

7 THE COURT: Okay. And I'm allowing them into the
8 evidence of the case and into the record.

9 (Government's Exhibit 9704 received in evidence)

10 MR. LOCKARD: And with that, the government rests.

11 THE COURT: Okay. I will provide later some
12 citations, which may be helpful with respect to why they're
13 admitted, but they are clearly part of the record of this case.
14 So with that, the government rests, meaning the government has
15 finished its case, and now we turn to the defense.

16 MR. ROCCO: Your Honor, with the Court's permission,
17 the defense calls Semra Ibrahim Hamza.

18 THE COURT: Okay.

19 MS. FLEMING: We have a motion under rule 29. Can we
20 hand it up later?

21 THE COURT: Sure.

22 MS. FLEMING: Without waiving the --

23 THE COURT: Sure.

24 THE DEPUTY CLERK: Ma'am, if you could step up here,
25 please. Remain standing by the chair, and then raise your

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1 right hand, if you don't mind.

2 THE WITNESS: Okay.

3 THE DEPUTY CLERK: If you could raise your right hand,
4 please. Do you solemnly swear or affirm that the testimony
5 that you shall give this Court and jury, in this issue now on
6 trial, shall be the truth, the whole truth and nothing but the
7 truth?

8 THE WITNESS: Yes, I do.

9 THE DEPUTY CLERK: Thank you, ma'am. Could you please
10 state your full name for the record.

11 THE WITNESS: Full name Semra Ibrahimi Hamza.

12 THE DEPUTY CLERK: And I'm going to ask you, if you
13 don't, to spell your full name.

14 THE WITNESS: My full name is Semra Ibrahimi Hamza.

15 THE DEPUTY CLERK: Could you spell it, please.

16 THE WITNESS: S-e-m-r-a, I-b-r-a-h-i-m-i, H-a-m-z-a.

17 THE DEPUTY CLERK: Thank you, ma'am. You may be
18 seated.

19 THE COURT: Before you start, Mr. Rocco, I take it,
20 for the record, that the government's response to the defense
21 motion is in opposition; is that correct?

22 MR. LOCKARD: Yes, your Honor.

23 THE COURT: Okay. Counsel.

24 MR. ROCCO: Thank you, your Honor.

25 SAMRA IBRAHIMI HAMZA,

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Ibrahimi Hamza - Direct

1 called as a witness by the Defendant,

2 having been duly sworn, testified as follows:

3 DIRECT EXAMINATION

4 BY MR. ROCCO:

5 Q. Good morning, Ms. Ibrahimi Hamza. My name is Victor Rocco,
6 and I represent the defendant in this case, Mr. Mehmet Hakan
7 Atilla. By whom are you employed, Ms. Ibrahimi Hamza?

8 A. By Turkish Airlines.

9 Q. And in what position? What capacity? What do you do for
10 them?

11 A. Traffic and sales agent.

12 Q. And can you describe for the jury what your
13 responsibilities are as a traffic and sales agent?

14 A. My responsibilities is doing ticketing, helping travel
15 agencies regarding ticket issues.

16 Q. Now, do you know if a subpoena was served on Turkish
17 Airlines for certain documents in the past month?

18 A. Yes.

19 MR. LOCKARD: Objection.

20 THE COURT: Overruled.

21 MR. ROCCO: Your Honor, may I approach the witness?

22 THE COURT: Sure.

23 Q. Ms. Ibrahimi Hamza, I'm going to show you what's been
24 marked as Defendant's Exhibit 335 and ask you if you recognize
25 that as the subpoena that was served on Turkish Airlines?

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Ibrahimi Hamza - Direct

1 A. Yes, I do.

2 Q. And this is a subpoena that you've seen previously?

3 A. Yes.

4 Q. And when you received a copy of the subpoena, what, if
5 anything, did you do?

6 A. I search from our system the ticket details and the purge
7 details.

8 THE COURT: And the what? What details?

9 A. The purge, which means the passenger name record which is
10 not active anymore.

11 Q. The word is purge, p-u-r --

12 A. P-u-r-g-e.

13 Q. Thank you, thank you very much. And when you found -- when
14 you searched the purged system, did you find documents?

15 A. Yes, I did.

16 MR. ROCCO: And, Mr. White, can we bring up for the
17 witness Defendant's Exhibit 326.

18 Q. Can you see that?

19 A. Yes, I can see.

20 Q. And can you tell me, do you recognize that document?

21 A. Yes, I do.

22 Q. And can you look through -- it's a multi-page document.
23 Can you look through the entire document?

24 A. Yes.

25 Q. And can you tell me what that document is?

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Ibrahimi Hamza - Direct

1 A. This document shows the electronic ticket, which is for
2 Atilla Mehmet Hakan.

3 Q. Wait a minute. We have to do something first. So you
4 recognize that as an electronic ticket?

5 A. Yes.

6 Q. And that's a document that's prepared by Turkish Airlines;
7 am I correct?

8 A. Yes.

9 Q. Is that a document that is prepared in the ordinary course
10 of business by Turkish Airlines?

11 A. Yes.

12 Q. And is it the ordinary course of Turkish Airlines' business
13 to create such a document?

14 A. Yes.

15 MR. ROCCO: Your Honor, I move Defendant's Exhibit 326
16 into evidence.

17 MR. LOCKARD: No objection.

18 THE COURT: I'll allow it.

19 (Defendant's Exhibit 326 received in evidence)

20 MR. ROCCO: Now, can we publish it to the jury,
21 please?

22 THE COURT: Yes.

23 MR. ROCCO: Thank you.

24 BY MR. ROCCO:

25 Q. Now, can you explain to the jury what this document shows,

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Ibrahimi Hamza - Direct

1 Ms. Ibrahimi Hamza?

2 A. This document shows that Mr. Atilla Mehmet Hakan has a
3 ticket from Istanbul to Barcelona and Barcelona to Istanbul.

4 Q. And can you tell us what the date of the ticket is?

5 A. The date of the ticket, with departure date, is April 10th,
6 2013, and the return is April 14, 2013.

7 Q. So can you -- perhaps the easiest way of doing this would
8 be to walk the jury through the document and explain to the
9 jury what the document shows?

10 A. Okay. The PAX name is on Atilla Mehmet Hakan, the FQTV
11 number shows that he's frequent flyer number, that he has
12 frequent flyer number, ticket number is 2352106694388, and the
13 ticket was issued April 1st, 2013, because in Europe, the --
14 first it comes date, then month, then year. And the ticket was
15 issued by our call center.

16 Q. And the ticket was issued where?

17 A. By Turkish Airlines' call center.

18 Q. And so this was a ticket that was called in?

19 A. Yes.

20 Q. And can you tell us what the flight number was?

21 A. The flight number from Istanbul to Barcelona was TK1855.

22 Q. And that was the ticket for April 10th?

23 A. April 10th, 2013.

24 Q. And there was a return ticket from Barcelona to Istanbul
25 when?

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Ibrahimi Hamza - Direct

1 A. It was April 14th, and the ticket flight number was 1852.

2 Q. Okay. So now talking about the ticket from Istanbul to
3 Barcelona, that's ticket No. 1855, does this electronic ticket
4 indicate the scheduled departure time from Istanbul on
5 April 10th?

6 A. Yes.

7 Q. And what was the scheduled departure time?

8 A. The scheduled departure time was 1355 p.m. and arrival was
9 at 1640 p.m.

10 Q. Now, the departure at 1355 p.m. is stated in what time, in
11 Istanbul time?

12 A. Yes. The departure is local time of Istanbul.

13 Q. And the arrival time is what time?

14 A. Arrival time is the local time in Barcelona.

15 Q. And does the ticket indicate the flight time?

16 A. Can you repeat?

17 Q. I'm sorry. Does the ticket indicate how long the flight
18 was?

19 A. Ticket doesn't indicate how long it is, but we have other
20 document.

21 Q. Okay.

22 A. The flight information document.

23 Q. Okay. We'll get to that in just a second.

24 A. Okay.

25 Q. With this document that you have in front of you, the purge

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Ibrahimi Hamza - Direct

1 document, are there tickets for anyone other than Mr. Atilla?

2 A. This first page is just for Mr. Atilla Mehmet Hakan.

3 Q. That's the first page?

4 A. Yes.

5 Q. Of Defendant's Exhibit 326; am I correct?

6 A. Mmm, hmm; yes.

7 Q. And beyond that first page, how about the second page?

8 A. The second page from the bottom shows the old coupon that
9 this -- the first coupon, because we read from the bottom up,
10 to up, and the first shows open. That ticket was open and it's
11 not used yet.

12 And the second coupon, two, it is for coupon two,
13 which is from Barcelona to Istanbul, and then the airport
14 control shows that the 72 hours before flight, the coupons are
15 under airport control.

16 Q. And it's each one of those blocks, am I correct, that shows
17 a separate step?

18 A. Separate step.

19 Q. In the check-in, boarding?

20 A. Yes.

21 Q. And then flight process?

22 A. Yes.

23 Q. And what entry on this document indicates if the ticket was
24 used or not?

25 A. The entry, which is the flown/used, it shows that the

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Ibrahimi Hamza - Direct

1 passenger used the ticket.

2 Q. And is that the entry that's on the bottom of the first
3 page?

4 A. Yes.

5 Q. Now, going back to the question that I asked you earlier,
6 are there -- just yes or no. Are there other people on this
7 flight, other tickets shown on this purge document?

8 A. Yes, there are two more.

9 Q. Two more?

10 A. Yes.

11 Q. And can you just give us the names of the individuals,
12 those tickets were purchased for?

13 A. Is for Burcin Atilla and Burkan Atilla.

14 MR. ROCCO: Okay. I'll give you the spelling,
15 B-u-r-c-i-n, B-u-r-k-a-n.

16 Now, if I may, Mr. White, can we bring up Defendant's
17 Exhibit 336.

18 Q. And before we move away from the prior document, does that
19 electronic coupon show return times or return flight and a
20 return date?

21 A. Yes.

22 Q. And what was the return date, if you know?

23 A. The return date was April 14th, 2013.

24 Q. And that was ticket number?

25 A. Ticket flight No. 1852, Barcelona, Istanbul. Departure was

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Ibrahimi Hamza - Direct

1 local time of Barcelona was at 6:00 a.m. and arrival to
2 Istanbul was 10:25 local time Istanbul.

3 Q. Thank you. Now, directing your attention to Defendant's
4 Exhibit 336.

5 MR. ROCCO: Can you bring that up, Mr. White?

6 Q. Ms. Ibrahimi Hamza, can you tell us what that document is,
7 Defendant's Exhibit 336?

8 A. This document shows, in the middle column, the middle
9 column shows the scheduled departure time in Greenwich mean
10 time and in local time, and it shows estimated departure and
11 arrival, and it shows actual departure and arrival time.

12 Q. Okay. So this document is called what?

13 A. Flight information.

14 Q. Okay. So on the flight information sheet, you're saying in
15 the middle column it shows the actual departure, the scheduled
16 departure times and scheduled arrival times?

17 A. Yes.

18 Q. And it shows the actual departure time and the actual --

19 A. Actual arrival time.

20 Q. -- arrival time? Okay. So can we go to the actual
21 departure -- well, let's go to the scheduled departure for
22 this.

23 THE COURT: Could I see counsel for a minute?

24 MR. ROCCO: Sure.

25 (Continued on next page)

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Ibrahimi Hamza - Direct

1 (At the side bar)

2 THE COURT: So, Mr. Rocco, this seems to be
3 painstakingly slow. What's the point here?

4 MR. ROCCO: It's a very important piece of evidence.
5 It shows --

6 THE COURT: What's the point?

7 MR. ROCCO: It shows that Mr. Atilla wasn't where he
8 was supposed to be when Mr. Zarrab says that he was called by
9 his supervisor.

10 THE COURT: I guess it shows that there were tickets
11 in his name.

12 MR. ROCCO: No, it shows that he was actually on the
13 flight.

14 THE COURT: Have you gotten to that yet?

15 MR. ROCCO: I have, Judge. We've gotten to it. We've
16 gotten to the fact that he's on the flight.

17 THE COURT: Okay. So then what else do we need?

18 MR. ROCCO: We want to show the arrival time, and the
19 departure time, Judge, to prove that he was in the air at the
20 time that he was allegedly on the phone with Mr. Zarrab.

21 THE COURT: Then we can move to the next witness?

22 MR. ROCCO: Yes, surely.

23 (Continued on next page)

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Ibrahimi Hamza - Direct

1 (In open court)

2 BY MR. ROCCO:

3 Q. Ms. Ibrahimi Hamza, this is a -- you describe it as flight
4 information sheet?

5 A. Yes, correct.

6 Q. And this is a document that's prepared by Turkish Airlines
7 in the ordinary course of its business?

8 A. Yes, correct.

9 Q. That is the ordinary course of Turkish Airlines' business
10 to prepare such a document?

11 A. Yes, correct.

12 Q. And you say that the document shows departure and arrival
13 times, actual departure and actual arrival times?

14 A. Yes.

15 Q. Okay. So can we turn to the middle column.

16 THE COURT: Could you tell us the departure times and
17 the arrival times?

18 THE WITNESS: Okay. The scheduled departure time with
19 Greenwich time was 10:55, and with the local time was 1355.
20 Scheduled arrival time Greenwich time was 1440, and with local
21 time was 1640. Then estimate departure time was 10:55 and the
22 estimate local time was 1404. Estimate arrival Greenwich time,
23 1453, and local mean time 1648, but actual departure time with
24 Greenwich time was 11:01, and with local time was, actual
25 departure, 1404. The actual arrival time -- actual departure

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Ibrahimi Hamza - Direct

1 time was 11:19, when the wheels was up and the local time was
2 1419.

3 MR. ROCCO: Your Honor, if I may interrupt?

4 Mr. White, this is not displayed for the jury? It is?

5 JUROR: No.

6 MR. ROCCO: Yes, your Honor. I move Defendant's
7 Exhibit 336 into evidence.

8 MR. LOCKARD: No objection.

9 THE COURT: I'll allow it. Sure. You can display it
10 to the jury.

11 (Defendant's Exhibit 336 received in evidence)

12 BY MR. ROCCO:

13 Q. Okay. So the actual departure time here was what time in
14 Istanbul?

15 A. In Istanbul was -- actual departure was 1404.

16 Q. And the actual landing time in Barcelona was what time?

17 A. It was 1648.

18 Q. And both those times, am I correct, are stated as local
19 times; so in other words, the departure time is 1404 Istanbul
20 time?

21 A. Yes.

22 Q. Is that correct?

23 A. Yes.

24 Q. And the actual arrival time is actual arrival, wheels down?

25 A. Actual arrival, wheels down, yes.

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Ibrahimi Hamza - Direct

1 Q. Okay. And that is at 1648 Barcelona time; am I correct?

2 A. Correct.

3 Q. And what would the time be in Istanbul when it's 1648 hours
4 in Barcelona?

5 A. In Istanbul would be 1748.

6 Q. And that's 5:48 p.m.; am I correct?

7 A. Correct.

8 Q. From the information that you've looked at, Ms. Ibrahimi
9 Hamza, can you identify the kind of equipment that was used on
10 this flight?

11 THE COURT: You mean the kind of airplane?

12 MR. ROCCO: Yes.

13 THE COURT: Does it matter?

14 MR. ROCCO: In terms of whether there were telephones
15 on the plane, your Honor.

16 THE COURT: Maybe ask that.

17 BY MR. ROCCO:

18 Q. Were there telephones on this flight?

19 A. As far as I know, no.

20 Q. And does Turkish Airlines have a policy against use of cell
21 phones on its flights?

22 A. No, they are not using.

23 Q. Passengers cannot use cell phones?

24 A. Cannot use. The cell phones can be on the airplane mode
25 but cannot be used.

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Ibrahimi Hamza - Direct

1 Q. They have to be turned off during the flight?

2 A. Yes.

3 Q. Am I correct?

4 A. Yes.

5 Q. And you say that the return flight was on April 14th?

6 A. Yes, correct.

7 MR. ROCCO: I have no further questions, your Honor.

8 THE COURT: Any cross?

9 MR. LOCKARD: No, your Honor.

10 THE COURT: Thanks very much.

11 (Witness excused)

12 THE COURT: Do you have the next defense witness?

13 MS. FLEMING: Your Honor, the defense calls Mehmet
14 Hakan Atilla.

15 THE COURT: Morning, Mr. Atilla. How are you?

16 THE DEFENDANT: Good, your Honor. Thank you very
17 much.

18 THE DEPUTY CLERK: Sir, if you could stand for a
19 minute, please. Raise your right hand. You don't have to
20 raise your right hand. Do you solemnly swear or affirm that
21 the testimony that you shall give this Court and jury in this
22 issue now on trial, shall be the truth, the whole truth and
23 nothing but the truth?

24 THE DEFENDANT: I do.

25 THE DEPUTY CLERK: Thank you, sir. Could you please

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Atilla - Direct

1 state your full name for the record?

2 THE DEFENDANT: Mehmet Hakan Atilla.

3 THE DEPUTY CLERK: Thank you, sir. You may be seated.

4 Feel free to adjust the chair and the microphone.

5 MEHMET HAKAN ATILLA,

6 called as a witness by the Defendant,

7 having been duly sworn, testified as follows:

8 DIRECT EXAMINATION

9 BY MS. FLEMING:

10 Q. Good morning, Mr. Atilla.

11 A. Good morning.

12 Q. We have met, haven't we?

13 A. Yes.

14 Q. Now, you have been listening to the testimony in this
15 courtroom for some two weeks; is that right?

16 A. Yes.

17 Q. And you are the defendant in this case; is that correct?

18 A. Yes.

19 Q. Did you conspire with Reza Zarrab to evade sanctions?

20 A. Never.

21 Q. Did you intend to defraud any banks?

22 A. Never.

23 Q. Did you intend to violate any laws?

24 A. Never.

25 Q. Did you intentionally make any misrepresentations to any

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Atilla - Direct

1 representatives from OFAC or Treasury?

2 A. Never.

3 Q. Did you teach Mr. Zarrab, or his companies, how to create
4 false documents?

5 A. Never.

6 Q. Did you know Mr. Zarrab and his companies were
7 intentionally submitting false documents to Halkbank during
8 2002 -- I'm sorry, 2012, 2013, 2014, up until he was arrested
9 here in the United States?

10 THE COURT: Up until 2016?

11 MS. FLEMING: I said up until he was arrested in the
12 United States, your Honor.

13 A. No.

14 MS. FLEMING: May I, your Honor?

15 THE COURT: Yes.

16 BY MS. FLEMING:

17 Q. Are you the architect of the schemes that Mr. Zarrab drew
18 for this jury?

19 A. I'm not.

20 Q. By the way, did Mr. Zarrab even describe properly how money
21 goes from the National Iranian Gas Company to banks in Iran?

22 A. I don't think he explained right. He could have some
23 misunderstanding or misknowledge about it.

24 Q. Did you conduct economic jihad for the country of Iran or
25 Turkey?

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Atilla - Direct

1 A. I first heard about such a thing in here.

2 Q. You mean you first heard of economic jihad in the trial at
3 this case, or when you were arrested in the United States?

4 A. I saw it in the discovery, when I was arrested, as the
5 documents were provided to me.

6 Q. Did you ever discuss fulfilling international money
7 transfers with Reza Zarrab?

8 A. I don't remember talking about such a subject.

9 Q. Did you ever discuss such a subject with Suleyman Aslan?

10 A. Are you asking particularly about this case, or are you
11 asking about generally speaking?

12 Q. I'm asking -- withdrawn. Bad question.

13 Did you ever discuss violating Iranian sanctions with
14 Suleyman Aslan?

15 A. I never spoke about this with either Suleyman Aslan or
16 anyone else.

17 Q. Now, do you recall hearing Reza Zarrab testify in this
18 courtroom that he was present with Suleyman Aslan on
19 April 10th, 2013, in Suleyman Aslan's office in the afternoon?

20 A. Yes, I heard.

21 Q. Do you recall him testifying that, in Suleyman Aslan's
22 presence, he saw Suleyman Aslan pick up the phone and call you
23 and heard him tell you on the phone that you will unblock this
24 transaction and go ahead and carry it on? Do you remember Reza
25 Zarrab testifying to that from that chair?

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Atilla - Direct

1 A. Yes, I remember Reza Zarrab stating in this courtroom that
2 he gave an instructions to me that -- instruction that I didn't
3 want to do, but forced me to do, in front of him in this
4 courtroom.

5 Q. And do you remember that the surveillance placed him at the
6 bank, Halkbank, meaning Reza Zarrab, between 4:10 and leaving
7 the bank at 5:15 p.m. on April 10, 2013?

8 A. What do you mean by the surveillance cameras, which ones?

9 Q. Do you remember the testimony from Mr. Korkmaz --

10 A. (Speaking in Turkish)

11 Q. -- where he confirmed that the surveillance cameras had
12 photos of Reza Zarrab entering Halkbank at 4:10 p.m. and
13 leaving at 5:15 p.m. on April 10th, 2013? Do you remember him
14 testifying to that?

15 A. Yes, I remember that he confirmed this information.

16 Q. Where were you on April 10th, 2013, between 1:55 p.m. and
17 5:48 p.m., Istanbul time?

18 THE INTERPRETER: Interpreter needs correction, sorry.
19 4:48.

20 A. I was traveling with my family to Barcelona on vacation.

21 Q. Were you on an airplane?

22 A. Yes. I was in the plane in certain times.

23 Q. Did you receive a phone call on your cell phone while you
24 were in the airplane, on your way between Istanbul and
25 Barcelona?

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Atilla - Direct

1 A. Never.

2 Q. Now, we also saw yesterday afternoon, the government played
3 part of your arrest video from when you were arrested by
4 members of the FBI on March 27th, 2017. Do you remember
5 watching part of your arrest video?

6 A. I remember.

7 Q. Now, at any point during the time that you encountered the
8 FBI, from the minute they stopped you at JFK, through the end
9 of that day, at any point did you lie to the FBI?

10 A. No, I did not.

11 Q. Did the FBI lie to you?

12 A. I believe they could tell me a lie.

13 Q. Do you remember that it was Jennifer McReynolds who was one
14 of the agents who interviewed you on March 27th, 2017? We see
15 her in the video?

16 A. Yes, I remember the lady.

17 Q. And do you remember telling her and seeing in the video
18 yesterday that she told you they had the evidence against you,
19 including wiretaps?

20 A. I remember.

21 Q. Now, you were arrested on a complaint on March 27th, 2017,
22 correct?

23 A. Yes, that's correct.

24 Q. And do you remember who it was who swore out the facts in
25 that complaint?

HCFPATI1

Atilla - Direct

1 A. Yes, that FBI agent, the lady.

2 Q. You mean FBI Agent Jennifer McReynolds, who is here in the
3 courtroom?

4 A. Yes, that's the lady.

5 Q. Did she, in the complaint, attribute a telephone
6 conversation to you that belonged to Hakkan Aydogan?

7 MR. DENTON: Objection.

8 THE COURT: Sustained.

9 Q. Was there a mistake in the complaint?

10 MR. DENTON: Objection.

11 THE COURT: Overruled.

12 A. Yes, there was.

13 Q. What was the mistake?

14 MR. DENTON: Objection.

15 THE COURT: Overruled.

16 A. The mistake was there was a wiretap that didn't belong me,
17 but it was still in the complaint.

18 Q. And did it say it was you in the complaint?

19 A. Yes, the complaint application said that wiretap belonged
20 to me.

21 Q. And have we seen that call that was not you, but said was
22 you in the complaint? Have we heard that in this trial?

23 A. Yes, we heard here.

24 Q. And would you tell the jury which call it was that we heard
25 that was supposed to be you in the complaint but was not you?

HCFPATI1

Atilla - Direct

1 A. I believe it was the phone call that was made on April 10th
2 that belonged to Hakkan Aydogan.

3 Q. Let's talk a little bit about your background, Mr. -- I'm
4 sorry. Before we get to that, in the video, you also talked
5 about, at the end, that there were some -- there was a Euro
6 bond issuance. Do you remember seeing that in the video and
7 talking about that to the FBI agents who were arresting you?

8 A. Yes, I remember.

9 Q. And the video cut off while that was being discussed; do
10 you remember that?

11 A. Yes, I saw when I was watching yesterday.

12 Q. Could you explain to the jury what it was you were talking
13 about with the \$500 million Euro bond issue in that video?

14 A. That was the reason for me coming to United States.
15 Halkbank, for the request of the investors to Halkbank, was
16 planning to raise about \$500 billion of bonds -- million
17 dollars bond, and I was here to talk to the investors about
18 these bonds and inform them about the specifics.

19 Q. Had you been anywhere else to talk about this \$500 million
20 Euro bond issuance, other than New York?

21 A. Yes. First, I completed the meetings in London.
22 Afterwards, I fly to Boston, and I spoke to investors there.
23 After I completed my meetings in there, I came to New York.
24 After I finished my meetings, I was going to go to London to
25 complete my pricing with the investors to London.

HCFPATI1

Atilla - Direct

1 Q. Now, is that part of your job for Halkbank, to do these
2 roadshows?

3 A. I would like to complete something before I continue about
4 the previous question.

5 Q. Please.

6 A. I couldn't go back to London to finish pricing because I
7 was arrested in the airport.

8 Now, I would like to answer the next question. Yes,
9 it is my -- part of my job to do roadshows.

10 Q. And you expressed concern that we saw in the video about
11 your arrest was going to effect this issuance of the \$500
12 million Euro bond issuance. Can you explain what you meant by
13 that?

14 A. I was worried that the process was going to be canceled.
15 As a matter of fact, it was canceled, and when they were
16 canceled, that was a negative position both for the bank and
17 for our country.

18 Q. And you also told, we saw in the video, that you were a
19 state employee or official of Turkey. Can you explain that?

20 A. The bank has many different investors. The most of the
21 shares are owned by the Turkish government, the Turkish state,
22 and the rest of the 49 percent belongs to the small investors
23 all over the world.

24 Q. Did you also, at some point, ask the FBI to call David
25 Cohen for you?

HCFPATI1

Atilla - Direct

1 A. I don't remember that.

2 Q. All right. Let's go into your background, Mr. Atilla.
3 What's your native language?

4 A. Turkish.

5 Q. Do you speak English?

6 A. I believe so.

7 Q. And could you describe, have you had formal training in
8 English?

9 A. I did not go to school with an English curriculum, but I
10 improved myself in years and time.

11 Q. You taught yourself English?

12 A. Yes, I learned myself.

13 Q. May I suggest that you pull the microphone closer to you.

14 And are you more comfortable speaking in the financial
15 jargon of English than you are legal jargon?

16 A. Absolutely.

17 Q. And is that why you're using the aid of a Turkish
18 interpreter here today?

19 A. I'm afraid that I may misunderstand or misinterpret or
20 answer. Other than that, I have no problem speaking English.

21 Q. Do you speak any other languages other than Turkish or
22 English?

23 A. Unfortunately, no.

24 Q. You don't speak Farsi?

25 A. No, I don't speak.

HCFPATI1

Atilla - Direct

1 THE COURT: Ms. Fleming, could you go -- I didn't
2 quite get the education.

3 MS. FLEMING: I was just doing the English language.
4 I'm going to go back to his formal education --

5 THE COURT: That was just related to the English
6 language?

7 MS. FLEMING: What he said was he didn't have formal
8 education in English, and did not go to an English-speaking
9 school curriculum, your Honor.

10 THE COURT: I got it.

11 MS. FLEMING: We'll go back to his education.

12 THE COURT: Okay.

13 BY MS. FLEMING:

14 Q. Mr. Aslan's English, did he speak English?

15 A. Yes, he speaks English.

16 Q. And did he have formal English training?

17 A. I know that he went to an English-curriculum college.

18 Q. And did you ever have to translate English from Turkish
19 into English for Mr. Aslan?

20 A. No, it never happened.

21 Q. What is your nationality?

22 A. I'm a Turkish citizen.

23 Q. And do you have any other passports, any other
24 nationalities?

25 A. I don't have any other citizenship from another country nor

HCFPATI1

Atilla - Direct

1 any other passport.

2 Q. Incidentally, do you travel with -- do you have, in
3 addition to a personal passport -- do you, as an employee of
4 Halkbank, are you able to travel with a state passport for
5 Turkey?

6 A. It's not a state passport, but there is a passport that is
7 prepared for officials of the government. Only civil servants
8 of the government can use this passport. If you are going for
9 an official business trip to overseas, you may use this
10 passport.

11 Q. And do you have such a Turkey civil servant passport?

12 A. Yes, I own this passport, which is actually mentioned as
13 gray passport.

14 THE COURT: As what?

15 THE INTERPRETER: Gray passport for officials.

16 Q. Meaning it's a gray color?

17 A. Yes, it's a gray color.

18 Q. And did you have that passport when you came to the United
19 States and when you were arrested in March of 2017?

20 A. I didn't have that that passport with me. I was traveling
21 with it, but my American passport had American visas in my
22 personal passport; so I was using my personal passport for
23 entry.

24 Q. When you said American passport, do you mean Turkish
25 passport had an American visa in it?

HCFPATI1

Atilla - Direct

1 THE INTERPRETER: That's interpreter's correction,
2 yes, the Turkish passport.

3 MS. FLEMING: Please ask the question.

4 THE COURT: Sorry?

5 MS. FLEMING: Instead of the interpreter answering, I
6 think she has to re-ask the question, Judge. Right?

7 THE COURT: Yes. Let's start over.

8 BY MS. FLEMING:

9 Q. Let's do the question again. Do you have an American
10 passport?

11 A. No, I don't.

12 Q. You have a Turkish passport that had an American visa in
13 it; is that correct?

14 A. Yes, I have a ten-years visa that I obtained ten years ago.

15 Q. So what you did was you were carrying --

16 THE COURT: Counsel, you're not going to lead, are
17 you?

18 MS. FLEMING: Judge, I was just trying to clear it up.

19 THE COURT: Good. Okay.

20 Q. So just to make sure --

21 THE COURT: But were you doing something, or were you
22 doing something else?

23 BY MS. FLEMING:

24 Q. Were you carrying both passports, your gray civil servant
25 passport and your personal passport with the American visa, but

HCFPATI1

Atilla - Direct

1 entered on your personal passport?

2 A. Yes, I had both passports. I didn't really have to carry
3 the gray passport, but it was in my business bag; so I had both
4 of them at the time.

5 THE COURT: Maybe I could clarify. So which passport
6 was presented to customs?

7 THE WITNESS: My own passport, which had ten-years
8 visa in it. That's the one I used, my personal passport.

9 Q. Where did you grow up?

10 A. I grew up in Ankara, in Turkey, the capital.

11 Q. And can you describe your family in Ankara?

12 A. I'm coming from a modest family. My parents work for the
13 state, just a normal mid-range, mid-income. My parents worked
14 at youth and sports ministry. They served for the state for 25
15 to 30 years, and then they retired.

16 Q. Do you have any siblings?

17 A. I have a sister, who is eight years younger than me.

18 Q. Did you go to university?

19 A. Yes, I went to Gazi University to study economics and
20 administrative science in Ankara.

21 (Continued on next page)

HCF3ATI2

Atilla - Direct

1 Q. Would you describe briefly how the university system in
2 Turkey worked at the time that you went to school.

3 A. To be able to go to college, there is a university entry
4 exam that is all over the country. That is held all over the
5 country. After graduating high school, you enter this exam,
6 and depends on your scores, you can go to selective schools
7 that you selected.

8 Q. And --

9 A. If you allow me, I'll continue a little bit more.

10 I went to college for four years. I studied
11 economics. I graduated from there. And I met my wife when I
12 was in college.

13 Q. What was your degree in?

14 A. I didn't do a doctorate or a master's. It was a
15 bachelor's.

16 Q. Is it a bachelor of science in economics?

17 A. Yes.

18 Q. Did your wife also get a degree at the university?

19 A. Yes.

20 Q. What did you do after college?

21 A. I went into military service. The military services in
22 Turkey is a compulsory service. And I did my compulsory
23 service for eight months.

24 Q. Where did you spend those eight months and what did you do?

25 A. First, I started in a city named Kutahya. Then I was sent

HCF3ATI2

Atilla - Direct

1 to an air base in Ankara. The base that I was working, it was
2 related to Air Force. Generally, when you're a university
3 graduate, you would be assigned for a job such as accountant or
4 administrative, etc. And as I was there, I was working at such
5 administrative work.

6 Q. Before we get to your career as a banker, did you hold
7 other kinds of jobs?

8 A. It wasn't related to building up a career, but I worked to
9 just get my daily money. I worked in a construction company, I
10 was working in a restaurant as a supervisor before I started
11 working at the bank.

12 Q. You described that you met your wife in the university.
13 What is your wife's name?

14 A. Burcin.

15 Q. By the way, how old are you?

16 A. 47 years old.

17 Q. How long have you and Burcin been married?

18 A. We're married for 22 years, we've been together for 26
19 years.

20 Q. Do you have any children?

21 A. Yes.

22 Q. How many children do you have?

23 A. Unfortunately, just one.

24 Q. What is your child, what is his name, what does he do?

25 A. My son attends the university. He's 20 years old. He goes

HCF3ATI2

Atilla - Direct

1 to Koc University and studies international relations. He has
2 a 50 percent scholarship. He is a smart student.

3 Q. Are you proud of him?

4 A. Yes.

5 MS. FLEMING: Can I ask that Defendant's Exhibit 300
6 be shown to Mr. Atilla.

7 Q. Mr. Atilla, do you recognize what is depicted in
8 Defendant's Exhibit 300?

9 A. Yes, my wife and my son.

10 MS. FLEMING: May I ask that Defendant's Exhibit 300
11 be admitted in evidence.

12 MR. DENTON: No objection.

13 THE COURT: Sure.

14 (Defendant's Exhibit 300 received in evidence)

15 Q. I think we can figure out which is which. But could you
16 explain where this photograph is taken.

17 A. It's the entrance of our apartment where we live.

18 Q. By the way, how far is your apartment from Halkbank
19 headquarters where you work?

20 A. I didn't measure, but it is about two, three minutes by
21 walking.

22 Q. Do you walk to work every day?

23 A. I would want to, but unfortunately my driver picks me up.

24 Q. How long has it been since you've seen your wife?

25 A. 269 days ago.

HCF3ATI2

Atilla - Direct

1 Q. Have you seen your son at all since you were arrested?

2 A. Yes, I've seen him once.

3 Q. How long was your -- he came to the United States once when
4 you were arrested?

5 A. Yes.

6 Q. How long were you able to visit with him?

7 A. Two hours.

8 MS. FLEMING: You can take that down, please.

9 Q. Are your wife and your son still in Turkey?

10 A. Yes.

11 Q. What does your wife do?

12 A. Just like me, she also works at Halkbank.

13 Q. Does she still work at Halkbank?

14 A. Yes.

15 Q. What does she do at Halkbank?

16 A. She works in personal banking department. Retail banking.

17 Q. You described your apartment. I'd like to see if we could
18 pull up, please, Defendant's Exhibit 302.

19 Do you recognize 302?

20 A. Yes, this is the apartment building that I live.

21 MS. FLEMING: Your Honor, I'd move 302 in evidence,
22 defense exhibit.

23 MR. DENTON: No objection.

24 THE COURT: Admitted.

25 (Defendant's Exhibit 302 received in evidence)

HCF3ATI2

Atilla - Direct

1 Q. Could you just describe for the jury now that it's up what
2 this is.

3 A. This is the building I live, we live in 11th floor.

4 Q. How big is the apartment? How many bedrooms?

5 A. In Turkey we would describe it as three bedrooms, one
6 salon. Living room. About 130, 140 square meter.

7 Q. Do you have any vacation homes?

8 A. Yes, we have a small summer house.

9 MS. FLEMING: You can take that down.

10 Q. Where is your small vacation home?

11 A. It's a village called Cesme in a city named Izmir.

12 Q. What do you do there? What do you do for hobbies?

13 A. We usually spend our summer holidays there. My parents
14 also have a home there. When we go there, we have a chance to
15 get together. I usually enjoy natural sports, such as camping
16 or fishing. I'm more into natural sports than others. Other
17 than that, I like paintings, drawings. When I have a chance
18 and free time from work, I like watching films and I like to
19 read.

20 Q. When did you start working in the banking industry?

21 A. In 1995.

22 Q. At what bank did you start working?

23 A. In Halkbank.

24 Q. What was your first job at Halkbank?

25 A. The bank had a test for assistant specialist. I entered to

HCF3ATI2

Atilla - Direct

1 that exam and I won after an oral examination, and they
2 assigned me for financing and budgeting department. And I
3 start working there.

4 Q. Let's describe that process for the jury since it's
5 different than how it works in the United States.

6 When students are graduated from universities, for
7 example, and they want to pursue a job in the banking industry,
8 how do they go about finding a job?

9 I'm asking you to explain the process of the exams and
10 the interviewing process and what you go through.

11 A. In general, even if it is a state department or a general
12 industry, like banks, the institution holds their own exams,
13 and they are going through a selection of the passers of the
14 exams. Everyone who graduates enters to these exams. Of
15 course if they're subject of the graduation goes with the
16 banking. Generally, it's related to the economic departments
17 who would enter to these exams.

18 The ones who succeed these exams, and if they don't
19 foresee any problems at the oral examination, they may start
20 working in the bank system.

21 And for the state organizations, there is a general
22 exam that is held by the state. After they receive their
23 scores on these exams, and for the need of organizations, they
24 place the students to necessary departments. Because Halkbank
25 is 51 percent state owned, but it holds a special

HCF3ATI2

Atilla - Direct

1 authorization.

2 THE COURT: Excuse me. Special?

3 THE INTERPRETER: Special status.

4 A. Therefore, they provide their own exams.

5 Q. So when you say they provide their own exams, there is a
6 written exam procedure first, right?

7 A. Yes, it is a very tiring process.

8 Q. People study for those exams; is that correct?

9 A. Yes, for a very long time, they prepare for these exams.

10 Q. And then if you pass those exams, you are brought in for
11 oral -- oral examinations or interviews, correct?

12 A. Yes, that's correct.

13 Q. Then from that process, people are selected to fill jobs,
14 correct?

15 A. Yes, that's correct.

16 Q. Is that how you got your job at Halkbank in 22 years ago in
17 1995?

18 A. Yes.

19 Q. Incidentally, do you belong to any political parties in
20 Turkey?

21 A. I'm not a member of any political party. I never even
22 entered in any political party buildings.

23 Q. So, when you started at Halkbank, what was your first job?

24 A. Assistant specialist.

25 Q. What was an assistant specialist?

HCF3ATI2

Atilla - Direct

1 A. It's the lowest level in the career planning and that's how
2 you would usually enter the organization.

3 Q. What is courier planning?

4 A. There are training, there are time periods and there are
5 special process for you to be able to go into the different
6 levels for ranking. And this is one of those steps.

7 I worked three years as assistant specialist. Then I
8 prepared a thesis about one subject, and my supervisors saw it
9 fit and I was raised to be a specialist.

10 Q. When you were a specialist, what did you do? What were
11 your responsibilities?

12 A. I worked on budgeting and planning. I was planning the
13 budgets of the bank.

14 Q. About how long were you in that position when you were
15 helping to plan the budget of the bank?

16 A. Probably about seven, eight years. I can't remember.
17 Probably in total seven, eight years.

18 Q. In that position, did you supervise people?

19 A. Yes.

20 Q. Approximately how many people did you supervise in that
21 position?

22 A. While I was working in budgeting and planning, I had about
23 eight to 10 people under me.

24 Q. What was your next position at the bank?

25 A. After that, I was a department manager.

HCF3ATI2

Atilla - Direct

1 Q. What department?

2 A. The names are a little bit complicated. I will summarize
3 as I remember.

4 I started at budgeting and planning first. I became a
5 specialist there. After that, I worked in personal banking.
6 After that, I worked in cash management department. Then I
7 went to strategic planning. That's how it was between 1995 and
8 2007. It was 12 years.

9 After 12 years, we opened bank's shares to public, and
10 that was a very successful process to open the shares to
11 public.

12 Q. Let's stop there. We'll come back to that. We're up to
13 about 2007?

14 A. Yes. I was working as a head of department in 2007.

15 Q. When you first started working at Halkbank, which city were
16 you working in?

17 A. In Ankara.

18 Q. For how many years did you work in Ankara, Turkey?

19 A. Including the bank time, it was about 15 years.

20 Q. Let's talk a little bit about Halkbank before we move to
21 2007 and what you started doing in that year.

22 What is Halkbank?

23 A. Halkbank is a state-owned bank. I mean, most of the shares
24 are owned by the state. It was established in 1938. At that
25 time, it was a small bank for small and midsized businesses, it

HCF3ATI2

Atilla - Direct

1 was established. It was an organization that was established
2 by retailers and artists. Arts and craftsmen were the
3 establisheers. Throughout the time it start having branches and
4 it developed. As they were opening different branches all over
5 the country, all the artisans and craftsmen were supporting the
6 system. And they put the capitals for the branches to be open.
7 And the bank established and developed throughout the years.

8 At some point, because of the capital increasing, the
9 state started to get involved. After that, most of the capital
10 increasing was made by the state. 17,000 people works in
11 Halkbank. It has about 1,000 branches.

12 Q. It ranks about the sixth largest bank in Turkey at this
13 point?

14 A. At that time I don't know. It was when I left.

15 Q. You had started to talk about when there started to be an
16 IPO, an initial public offering. At that point, what was your
17 title in 2007?

18 A. When the IPO started, I was a manager. After the works of
19 IPO, I was head of department.

20 Q. Were you still working in Ankara at this point?

21 A. Yes, I was in Ankara.

22 Q. At what the point did you move to Istanbul?

23 A. After the process period of IPO was completed, I moved to
24 Istanbul. Because after IPO was established, there was an
25 initiative between investors and the bank, and there had to be

HCF3ATI2

Atilla - Direct

1 a branch or a department who would deal with investors and IPO
2 establisers. Someone had to explain and show the investors
3 about banks, budgeting, planning, and get them familiar with
4 the process. And nobody had this experience in the bank
5 before. And I didn't have it either. I was selected among
6 potential members.

7 Q. So before the IPO, who was the owner of Halkbank?

8 A. It was the state.

9 Q. The state of Turkey?

10 A. Yes, the Turkish Republic state.

11 Q. Briefly, would you describe the IPO process. And by that I
12 mean, tell us what happened in terms of ownership, as opposed
13 to the entire process. I just want you to tell us what
14 happened in terms of ownership shares and who became the owners
15 of Halkbank and what percentages.

16 A. When the companies reached a certain size, they may want to
17 open parts of their capital to the public, to add more value to
18 the company. And Halkbank made the decision to sell 25 percent
19 of its shares to the public. These kinds of activities help
20 the companies to become more transparent. Because when this is
21 done, your data can be watched and followed by everyone over
22 the internet. And that's why everybody can follow the
23 improvements, the advancements of the bank. And of course, the
24 investors who buy these shares want to make a profit out of
25 this. And that's why somebody from the bank side need to

HCF3ATI2

Atilla - Direct

1 explain to them the developments and inform them about what's
2 going on.

3 And it is this department is formed, actually, to
4 represent the bank to the market and the investors. And that's
5 why the people who work for this department needs to know over
6 all what's going on in every department of the bank. Of
7 course, it is not possible to know every detail about every
8 department, but they need to be well informed so that they can
9 answer the questions of the investors.

10 Q. What department are you referencing?

11 A. Financial institutions and investors relations department.

12 Q. Is that the department that you were manager?

13 A. I was assigned there as the head of department.

14 Q. So, did in fact Turkey do an IPO for 25 percent of the
15 shares of Halkbank?

16 A. Halkbank did that, and they sold the shares of the Turkish
17 to the public.

18 Q. Do you recall what year that was?

19 Thank you for the correction.

20 A. Of course I remember. It was 2007. I remember it because
21 it was the first time.

22 Q. It was the first time you worked on an IPO?

23 A. Yes, and I gained a lot of experience doing that.

24 Q. That first IPO for the 25 percent, without giving us names,
25 what kind of investors bought the first -- the 25 percent of

HCF3ATI2

Atilla - Direct

1 non-Turkish state-owned shares of Halkbank?

2 A. May I tell you who we made the IPO with? Is there a reason
3 I shouldn't mention any bank or company names?

4 Q. Yes. I just didn't want you to give us individual names.
5 Sure. Again, thank you for the correction.

6 A. We carried out the IPO process with an American bank. We
7 worked together and they supported us a lot. And most of the
8 part of that 25 percent that was open to public we sold those
9 parts to United Arab Emirates -- Europe.

10 THE INTERPRETER: Sorry. Correction. To United
11 Kingdom.

12 A. To Europe, to American, and Asian companies or investors.

13 Q. Who was your underwriter?

14 A. May I tell the name? I'm not sure.

15 THE COURT: Yes.

16 A. Goldman Sachs.

17 Q. And that IPO successfully closed, and the 25 percent shares
18 were in fact sold to the investors in the groups you just
19 described, correct?

20 A. As far as I know, this was the best public offering done in
21 Turkey since that time.

22 Q. Did there come a point when there was a second IPO of
23 Halkbank shares that you were involved in?

24 A. Yes. Five years later in 2012, the second one was done.

25 Q. When in 2012 was the second IPO completed?

HCF3ATI2

Atilla - Direct

1 A. I don't remember the exact time, but I remember it to be
2 the months of fall. Because it was a very intense busy year.
3 We made the first euro bond export that year, issuance of first
4 euro bonds this year, and the public offering was done in that
5 same year. And we also moved to the new headquarters of the
6 bank. I also had to move my apartment. It was a busy year.

7 Q. Let's slow down a little bit. So, in 2012, what was your
8 job at Halkbank?

9 A. I was a deputy general manager and my responsibility was
10 the international banking.

11 Q. You were the deputy general manager. How many deputy
12 general managers at Halkbank were there in 2012?

13 A. I'm not sure about the exact number. Probably 10 to 12.

14 Q. Just for one moment. Is there a foreign operations
15 department at Halkbank in 2012?

16 A. Yes, there was.

17 Q. Did that foreign operations department report to you?

18 A. No, they were not reporting to me.

19 Q. Was there a sanctions team at Halkbank in 2012?

20 A. More than one.

21 Q. Did that sanctions, those sanctions teams, did they report
22 in the reporting chain up to you as deputy general manager?

23 A. Maybe I need to make an explanation here if you'll let me.

24 THE COURT: Sure.

25 A. Because there are two different structures, I have to

HCF3ATI2

Atilla - Direct

1 explain what it is.

2 There is a department called compliance department.
3 And this department reports to the board of directors, only to
4 the board of directors. This department does not report to the
5 general manager, does not report to the deputy general manager.

6 And there is another department, the sanctions
7 department, which is located within the foreign operations
8 department. And that team reports to the deputy general
9 manager who is responsible from the operations.

10 Q. Maybe we could pull up Defense Exhibit 333. Could you turn
11 to 2012. 2012, please.

12 Do you see a page that's been marked within Defense
13 Exhibit 333?

14 A. Yes, I see it.

15 Q. What is Defendant's Exhibit 333, and in particular the page
16 that we've identified within 333?

17 A. It is the organization chart of the bank.

18 Q. The entire exhibit --

19 MS. FLEMING: Your Honor, may I approach?

20 THE COURT: Sure.

21 Q. Can you tell the dates that these organizational charts
22 cover?

23 A. June of 2012.

24 Q. Well, looking from the first page to the last page, are
25 there different years of organizational charts for Halkbank?

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Atilla - Direct

1 A. I'm sorry, I was looking at the one on the screen, I
2 probably misunderstood.

3 It starts from 2009, 2010, 2011, 2012, 2014, and 2016.

4 MS. FLEMING: Your Honor, I'd move Defendant's Exhibit
5 333 into evidence.

6 MR. DENTON: No objection.

7 THE COURT: Sure.

8 (Defendant's Exhibit 333 received in evidence)

9 MS. FLEMING: If we can display the 2012 which is on
10 the screen for the jury.

11 Q. Could you explain the structure using this chart, if it
12 helps you.

13 A. Yes. The top organization of the bank is the board of
14 directors. General manager reports to the board of directors.
15 The small boxes that are next to each other, that is lined with
16 red, there are 12 of them. They're deputy general managers.

17 Q. You're talking about starting on a couple lines down on the
18 left it says corporate and commercial marketing?

19 A. Yes. Those are indicating deputy general managers.

20 Q. Which one of those is yours in 2012?

21 A. The eighth one from the left to right.

22 Q. International banking; is that right?

23 A. Yes, that's correct.

24 Q. What departments reported up to you?

25 A. Financial operations and investors relations and

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Atilla - Direct

1 international banking.

2 Q. Where is foreign operations on this organizational chart?

3 A. Next to the second box where my position belongs. It says
4 "banking operations."

5 Q. And then foreign operations under that?

6 A. Yes, they work under them.

7 Q. At times, were there times that the departments interacted
8 with each other at Halkbank?

9 A. Not only sometimes. They always worked interactively.

10 Q. Going back to 2012, you said you were working on a number
11 of projects. You described that headquarters was moving.

12 Would you explain what you meant by that.

13 A. The bank purchased the headquarters building in Istanbul,
14 Atasehir at that time. The bank was operating in many
15 different buildings that were separated from each other.
16 Unfortunately, because of Istanbul traffic, it is very
17 congested, it was causing a lot of loss of time. Therefore,
18 the bank decided to go to a building that different units can
19 be combined. Therefore, the decision was made for the units
20 and the different departments to move to this new headquarters
21 building.

22 Q. When did that happen, approximately?

23 A. I remember as summer of 2012. Maybe a little before that.

24 Q. Was it a staggered process where people moved at different
25 times over to the headquarters?

HCF3ATI2

Atilla - Direct

1 A. Yes, it was a process that took some times, but we were
2 able to complete in two, three months.

3 Q. What floor was your office on in the new headquarters
4 building?

5 A. On the 21st floor.

6 Q. Where was Mr. Aslan's office in the new building?

7 A. Normally it would be on the 25th or 26th floor if I don't
8 remember mistakenly. And there was -- he had an office on the
9 first floor. Sometimes he had to enter quickly and go out
10 quickly. Therefore, he held another office at the entrance.

11 Q. Where was your office before you moved to the new
12 headquarters, let's give this a name. What's the new
13 headquarters building? "Headquarters"?

14 A. Let's say Atasehir.

15 THE COURT: Let's say what?

16 Q. Why don't we say new headquarters. Where was your old
17 office, what building?

18 A. I was working at the building of Findikli that belonged to
19 a bank.

20 Q. What?

21 A. Findikli. The bank had two, three different buildings at
22 that time.

23 Q. Where was Mr. Aslan's old office?

24 A. When he was a deputy general manager, he was at Findikli.
25 Then he became a general manager and he moved to Gayrettepe.

HCF3ATI2

Atilla - Direct

1 After we moved building to new general headquarters, he moved
2 there.

3 Q. But the office he had before the new headquarters was
4 Gayrett?

5 A. Gayrettepe.

6 And we can call that as old headquarters.

7 Q. Now, in addition to moving to new offices, you said that
8 this was the first year that Halkbank was issuing euro bonds.
9 Did I hear that right?

10 A. Yes, I remember that we were exporting bonds that year.

11 Q. Did your department have something to do with the issuance
12 of euro bonds?

13 A. Yes, we were working intensively.

14 Q. Would you describe what you were doing in connection with
15 the issuance of the first issuance of euro bonds in 2012?

16 A. I was holding the meetings with investors and I was doing
17 roadshows. I was also holding the meetings with the
18 intermediate banks. I was also helping to develop the legal
19 documents for the opening to the public shares. I was taking
20 place both in preparing the documentation and marketing.

21 Q. Was there in fact an issuance of new euro bonds some time
22 in 2012?

23 A. We did the first one in 2012, and every year we did another
24 one.

25 Q. So there was a second issuance of euro bonds in 2013,

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Atilla - Direct

1 right?

2 A. I don't remember exact dates, but I remember doing three,
3 four times after that date.

4 Q. And you also indicated that, we started talking about this,
5 this was the second IPO of Halkbank shares for the second
6 26 percent of Halkbank shares; is that correct, that took place
7 in 2012?

8 A. Yes, and that also took place that year.

9 Q. Would you describe what your role was in connection with
10 that second IPO.

11 A. I acted as part of the members in the first one who were
12 preparing the first IPO. On the second one, I also worked in
13 the details, let's say it in the kitchen of it, and I also did
14 the roadshows related to it. And that was a very successful
15 IPO as well. And we also break the records at that time, too.

16 Q. What is a roadshow?

17 A. There are two different ways to meet with the investors.
18 There are big financial organizations the big companies
19 provide, and the banks and investors attend to those
20 organizations. If I have -- if I have to give an example,
21 let's say there is a big financial institution in London, it
22 could be a bank or it could be another big financial
23 organization that they prepare a big meeting. And they will do
24 a meeting that it is called investor meetings in specific
25 locations. And all the investors and big companies would come

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Atilla - Direct

1 to these meetings and express their interest or their messages.
2 The big companies would come and express themselves.

3 As an alternative to that, there is another way. you
4 could go to the investors and visit them in their own offices,
5 in this example as Halkbank you would go and show your
6 abilities. If you go to investors' offices and you show your
7 abilities, that's called roadshow.

8 Q. Who was the underwriter on this second IPO?

9 A. Citibank. And there was a Turkish bank as a local partner.

10 Q. Was it 26 percent that was now sold so that -- I'm sorry.
11 24 percent, right?

12 A. Yes. And the first one it was 25, the second one there was
13 24 percent. In total 49 percent.

14 Q. So at the end of the two IPOs, the state of Turkey owns
15 51 percent of Halkbank and outside investors own 49 percent; is
16 that right?

17 A. That's correct.

18 Q. You described as part of your responsibilities, and I'm
19 going to focus on 2012 and 2013, 2014, that period, okay?

20 How many people were you supervising at that point in
21 your direct line?

22 A. About 25 to 30 people as I remember.

23 Q. I think you said earlier that part of your responsibilities
24 were dealing with other banks and dealing with investors; did I
25 get that right?

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Atilla - Direct

1 A. Yes. The first box actually manages the bank's financial
2 relations with other banks and with the managers with investor
3 relations. And the second box works for establishing bonds for
4 fund process. Establishing funds from abroad. And also
5 international bank takes care of the branches and departments
6 in abroad. The representative offices in abroad.

7 Q. To whom did you report?

8 A. I was giving a report to general manager about the daily
9 work flow. But he didn't have the position of taking me from
10 my position or giving me a different rank.

11 THE COURT: I didn't understand.

12 THE WITNESS: I will explain.

13 The deputy managers are assigned by board of
14 directors. And they would also take the position from them.

15 THE COURT: The deputy managers are appointed by the
16 board?

17 THE WITNESS: Yes, your Honor. The board of directors
18 decides who would be the deputy manager or who would take the
19 position away. In other words, the general manager wouldn't be
20 able to take the position away from the deputy general
21 managers.

22 THE COURT: Wouldn't be able to?

23 THE WITNESS: Take the position away. Fire.

24 Q. Who appoints a general manager?

25 A. The general manager would be assigned with the general

HCF3ATI2

Atilla - Direct

1 assembly of -- of the bank. Inside of the bank. The
2 shareholders would go to the general assembly. And there will
3 be award in there. The Treasury, which represents the
4 51 percent of the shares, and usually they would suggest names
5 and those names would be taking the positions. Because most of
6 the work, really, most of the share owners --

7 THE COURT: Wait. Before that, what did you say
8 before that "most of the"?

9 THE WITNESS: Most of the shares owned by the state
10 and but -- the Treasury represented those shares.

11 THE COURT: The 51 percent?

12 THE INTERPRETER: Yes, your Honor.

13 THE WITNESS: Yes.

14 THE COURT: Okay. So the treasurer makes the
15 recommendations of candidates for GM?

16 THE WITNESS: The Treasury makes the suggestions for
17 the general assembly and suggestions of the general manager.
18 And board -- the board of directors would be general assembly
19 and the general manager would suggest. Board of directors will
20 suggest the general assembly and the general manager.

21 The Treasury suggests the candidates for general
22 manager and also for the board of director.

23 THE COURT: I see. The Treasury representing the
24 51 percent of the shareholders?

25 THE WITNESS: Yes, that's right, your Honor. The

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Atilla - Direct

1 institution who has the right to represent those shares is the
2 Treasury of the Turkish Republic. Of course, they suggest a
3 candidate, but there can be other suggestions or some opposing
4 suggestions. But just because most of the shares belong to the
5 Treasury, usually whatever they say turns out to be the chosen
6 one.

7 THE COURT: That's the Treasury of the whole
8 government?

9 THE WITNESS: It is the Treasury of the state.

10 THE COURT: I got it.

11 Q. We've heard a lot about the Suleyman Aslan during the trial
12 as a general manager for a period of time. But in 2012, was
13 there another general manager there before him?

14 A. There was another one in 2011. Huseyin Aydin.

15 Q. After Mr. Aslan was arrested and left the bank, who
16 replaced him?

17 A. Ali Fuat Taskesenlioglu came after him. You could just
18 call him Ali Fuat because his last name is very difficult.

19 Q. I've learned. I'm lucky I can say Ankara.

20 So you were telling us about the responsibilities with
21 the boxes. Could you just describe for us briefly, but
22 generally, what it was that you did, and I'm talking about you
23 personally, or what you supervised people, break it down, in
24 terms of how you dealt with other banks, including
25 correspondent banks.

HCF3ATI2

Atilla - Direct

1 A. Worldwide, the banks need to work closely with each other.
2 Because numerous transactions, financial transactions and
3 payments need to be done internationally. For that reason,
4 they establish a correspondence relation among the banks.

5 Shortly, I can explain it this way: The banks make an
6 evaluation, both in the administrative sense and also
7 financially, about the other banks. And later if they see no
8 reason to work with -- if there is no problem, they see no
9 reason not to work with them, then they establish this SWIFT
10 system among each other, and usually, they establish the
11 communication this way.

12 However, what we do is, personally, face to face,
13 meeting with the banks, talking with them, evaluating issues
14 about the banking sector and also talking about the Turkish
15 economy, we were also responsible for solving any problems that
16 could occur between any two banks.

17 THE COURT: Excuse me for one second. Do you want a
18 five-minute break? Let's take it.

19 (Jury excused)

20 (Continued on next page)

HCF3ATI2

Atilla - Direct

1 THE COURT: We'll take five minutes.

2 (Recess)

3 MS. FLEMING: Judge, what time do you want me to stop,
4 like 1?

5 THE COURT: Just a couple minutes before 1, yes.

6 MS. FLEMING: Okay.

7 (Continued on next page)

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Atilla - Direct

1 (Jury present)

2 THE COURT: We're trying to warm up the room as usual.
3 But, let's see.

4 MS. FLEMING: Your Honor, may I resume?

5 THE COURT: Sure.

6 MS. FLEMING: I've been asked if we can try to blow up
7 the page out of Defendant's Exhibit 333 to focus on the two
8 lines that are international banking and banking operations
9 are. So can you do that, Mr. White, so people can read it
10 better. Thank you.

11 Q. Mr. Atilla, when we broke, I think we were discussing your
12 relationships and your interactions with other banks.

13 A. Yes.

14 Q. Were these relationships with other banks that you had with
15 banks both inside and outside of Turkey?

16 A. Yes.

17 Q. I'd like to bring up some photos if I could. Could I ask
18 you to bring up Defense Exhibit 307, just for Mr. Atilla.

19 Do you recognize Defense Exhibit 307?

20 A. Yes, I remember it.

21 Q. Who is that guy?

22 A. It's me.

23 Q. Where is that photo taken?

24 A. In the Findikli building.

25 Q. In the what?

HCF3ATI2

Atilla - Direct

1 A. Findikli.

2 Q. Your old office building?

3 A. Yes.

4 MS. FLEMING: Your Honor, I'd move Defendant's Exhibit
5 307 into evidence.

6 THE COURT: I'll allow it.

7 (Defendant's Exhibit 307 received in evidence)

8 MS. FLEMING: Show it to the jury, please. I'd like
9 to ask that you bring up for Mr. Atilla Defense Exhibit 309.

10 Q. Do you recognize Defense Exhibit 309?

11 A. Yes, I do.

12 Q. How do you recognize it?

13 A. I was giving a speech related to a Swiss export agency.

14 Q. Do you remember when it was, when that speech was given,
15 approximately?

16 A. Looking at my weight, I'm guessing it to be between 2013
17 and 2015.

18 MS. FLEMING: Your Honor, I move Defendant's Exhibit
19 309 into evidence.

20 THE COURT: I'll allow it.

21 MR. DENTON: No objection.

22 (Defendant's Exhibit 309 received in evidence)

23 MS. FLEMING: Publish it for the jury, please.

24 Q. You said you were giving a speech on what?

25 A. There was this meeting about the Switzerland export --

HCF3ATI2

Atilla - Direct

1 Switzerland -- Swiss export agency. When companies from Turkey
2 want to import anything from Switzerland, through this
3 institute, they're able to provide financing. And as Halkbank
4 we were trying to have the Turkish banks and Turkish
5 businessmen and also Swiss banks.

6 Q. Was one of your responsibilities during the period 2012 to
7 2015 at Halkbank to speak with people in the public about
8 bringing business to Halkbank?

9 A. Of course.

10 Q. Did you speak on topics other than Iranian sanctions?

11 A. Yes, so many other topics.

12 MS. FLEMING: Could I ask that you bring up for
13 Mr. Atilla Defendant's Exhibit 310, please.

14 Q. Do you recognize Defendant's Exhibit 310?

15 A. I do.

16 Q. How do you recognize 310?

17 A. We were the sponsor for an organization. I'm sorry, it is
18 a bit long, but it was an organization that we sponsored. It
19 was about fixed income investors. And that's taken over there
20 at the meeting. And the purpose of this organization was to
21 have the Turkish companies meet with the investors.

22 Q. Do you remember where this meeting took place?

23 A. It was in Istanbul, Turkey.

24 Q. Do you remember approximately when this meeting took place?

25 A. I am thinking it should be 2016 because I have my -- I have

HCF3ATI2

Atilla - Direct

1 a beard.

2 MS. FLEMING: Your Honor, I move Defendant's 310 into
3 evidence.

4 MR. DENTON: No objection.

5 THE COURT: I'll allow it.

6 (Defendant's Exhibit 310 received in evidence)

7 Q. Publish it for the jury, please.

8 Mr. Atilla, can you please identify who the people are
9 in this photograph.

10 A. Do you need the names one by one?

11 Q. Are they all Halkbank employees?

12 A. They're all, as I mentioned before, the people who report
13 to me that I showed you in the little box just before.

14 Q. Which box, which department?

15 A. Financial institutions and investor relations. And the
16 other box was international banking.

17 Q. Would you please identify who they are.

18 A. The lady on my left works for the financial institutions as
19 a manager. And the gentleman on my right is the head of the
20 department of financial institutions. And the two ladies next
21 to him work for investor relations. And the gentleman on the
22 far left works for international banking.

23 Q. Maybe so we can save the court reporter from trying to get
24 all the spellings, have we heard the names of any of these
25 people other than you in this trial?

HCF3ATI2

Atilla - Direct

1 A. No, we haven't.

2 MS. FLEMING: Will you pull up for Mr. Atilla, please,
3 Defendant's Exhibit 311.

4 Q. Mr. Atilla, do you recognize Defendant's Exhibit 311?

5 A. Yes, I do remember.

6 Q. What is Defendant's Exhibit 311?

7 A. This is a picture taken as a memory. They all work for the
8 departments that are connected to me. They report to me.

9 Q. Do you know when this photograph was taken, approximately?

10 A. Either the end of 2016 or the beginning of 2017.

11 MS. FLEMING: Your Honor, I move Defendant's Exhibit
12 311 into evidence.

13 THE COURT: I'll allow it.

14 MR. DENTON: No objection.

15 (Defendant's Exhibit 311 received in evidence)

16 MS. FLEMING: Can we publish for the jury please.

17 Q. I'm not going to ask you to identify names. Which
18 department did you identify all these people work for?

19 A. Financial institutions and investor relations,
20 international banking.

21 Q. Is there anybody from the sanctions team that is in this
22 photograph?

23 A. No, there isn't.

24 Q. Is there anybody from foreign operations in this team --
25 excuse me, in this photo?

HCF3ATI2

Atilla - Direct

1 A. No, there isn't.

2 Q. Mr. Atilla, directing your attention to the period 2012 to
3 2016, March 2016. Approximately how much time did you spend
4 dealing with other banks and investors as you've described in
5 connection with your responsibilities at Halkbank?

6 A. Meaning the -- when you say the other banks? What do you
7 mean?

8 (In English) Other than Iranian banks you mean?

9 Q. I'll come at it a different way. What were the kinds --
10 I'm going to direct your attention, again, let's focus on 2012
11 and 2013. In general, what hours did you work for Halkbank?

12 A. In the morning, at 9 a.m., in the evening at 8 p.m.

13 Q. What was your salary at Halkbank during those years?

14 A. I don't remember all of it, but I can tell you the last
15 salary I have.

16 Q. All right.

17 A. You would like me to tell you in annually?

18 Q. Please.

19 A. Approximately \$100,000.

20 Q. Did you receive bonuses?

21 A. No.

22 Q. What was your wife's salary at Halkbank during these years?

23 A. I didn't ask, but I can assume if you'd like.

24 Q. No. If you don't know, don't say.

25 A. I know that she receives less than I.

HCF3ATI2

Atilla - Direct

1 Q. She was not a direct report to you, was she? She wasn't in
2 your department?

3 A. No, she works completely in different area.

4 Q. She wasn't in sanctions or foreign operations, was she?

5 A. No, she was working in credit section, such as credit cards
6 and deposits.

7 Q. Was part of your responsibilities -- again, I'm focusing on
8 the period 2012 to the time you were arrested. Was part of
9 your responsibilities for Halkbank to interact with
10 international banking organizations?

11 A. Most of my time was spent for investor relations. Because
12 the economy changes very fast in Turkey. And there are many
13 subjects that we have to update the investors about these
14 changes. And sometimes these are economic, sometimes
15 political. And it takes a lot of time to follow up these
16 changes, to explain the investors and let them understand the
17 changes. Most of my time was spent for this process, I would
18 say 70 percent of my time. And also I'm including my travels
19 to this.

20 Q. Did you use e-mail at work at Halkbank?

21 A. Of course.

22 Q. Can you give us an estimate, on average, of how many
23 e-mails you got a day during the time period 2012 to 2016?

24 A. It's usually a lot that I cannot read all of them. If I
25 have to estimate, it would be about 100.

HCF3ATI2

Atilla - Direct

1 Q. 100 per day?

2 A. That's -- that's my estimate. Yes. That is my estimate,
3 there are a lot of e-mails about informative issues, about bank
4 relations, and about changes. The value of the circulation is
5 high. As I remember, I had about to 3,000 e-mails was unread.

6 Q. We've heard a lot about Turkey's relationship with Iran in
7 this case. When was the first time in your job at Halkbank
8 that you began to do anything that had anything to do with
9 Iran?

10 A. Of course I heard a lot of things about Iran. Of course I
11 heard a lot of things about Iran, but our relationship with
12 Iran started after a merge with another bank in 2004.

13 Q. Would you explain, it was a merger between Halkbank and
14 another bank in 2004; is that what you just said?

15 A. Yes, there was a merge with another bank in 2004. We took
16 a role in an operation of merging with a private bank and
17 Halkbank.

18 Q. What was the name of the private bank with which Halkbank
19 merged in approximately 2004?

20 A. It was Pamuk Bank.

21 Q. Can you spell it for the court reporter, please.

22 THE INTERPRETER: P-A-M-U-K B-A-N-K.

23 Q. When Halkbank merged with Pamuk Bank, did Halkbank acquire
24 representative offices in Tehran?

25 A. Did you mean that they required or they --

HCF3ATI2

Atilla - Direct

1 THE COURT: "Acquired."

2 Q. Can you just describe what happened.

3 A. I understood. Yes.

4 Pamuk Bank had long-term relations in Iran. And we
5 had not any information about Iran as Halkbank. After we
6 merged in 2004 with Pamuk Bank, by 2005, all the asset of Pamuk
7 Bank was transferred to us. And that included the
8 representatives abroad. And we learned that they had a
9 representative office in Tehran.

10 At that period we didn't have many chance to do
11 anything because we were very busy. We just did a preliminary
12 evaluation. And we didn't take this to our daily responses for
13 us to look at later. We were able to look at that subject in
14 2007, after the IPO. And I know that at that time, the Iranian
15 banks had accounts in Pamuk Bank. Therefore, they were
16 automatically transferred to us. After the IPO, we started
17 having a relationship with this bank.

18 MS. FLEMING: Can we pull Defendant's Exhibit 333 back
19 up and put it back on. And let's put it back on -- well.
20 Let's put it on the first page on 2009.

21 Q. What department at Halkbank was responsible for
22 assimilating the Iranian accounts and offices into Halkbank
23 proper?

24 A. In this chart, you can see the treasury management in the
25 seventh box.

HCF3ATI2

Atilla - Direct

1 MS. FLEMING: Can we highlight that, please.

2 Q. Okay.

3 A. The third box under that, the financial institution and
4 investor relations. This department was in charge with
5 relations with those banks. At that time, the treasury and
6 foreign relations were acting under the same deputy manager.

7 Q. Was that you at that time, when the bank was -- when the
8 Iranian bank came into Halkbank?

9 A. No, that wasn't me. I have to say, I was not the deputy
10 manager at that time there. And I was the head of a
11 department.

12 Q. You've been described -- withdrawn.

13 Did your responsibilities include dealing on occasion
14 with significant customers of Halkbank? I'm now back to the
15 2012 to 2015 period.

16 A. Yes, I had meeting with the banks customers, especially the
17 ones that had international transactions and relations.

18 Q. Would you describe in general what you mean by that?

19 A. Sometimes we have to exchange information about a certain
20 subject. Sometimes they want to know about a process and ways
21 of banking. And in that, in those terms we would explain them
22 the regulations of the banks. Especially when it comes to the
23 global firms, and especially the companies that have global
24 existence, big companies, they would want to know about the
25 regulations of the bank. And sometimes the Turkish companies

HCF3ATI2

Atilla - Direct

1 would want to know about the process and the regulations of the
2 bank. And sometimes they would have issues with another bank's
3 branches or other bank, and we would --

4 THE INTERPRETER: Correction, the interpreter's
5 correction, your Honor.

6 A. No. There would be issues with the other departments of
7 our bank, and they would ask to solve those issues.

8 If I have to give an example, let's say an
9 international company, if they will be doing any Treasury
10 transaction, and if the pricing of our Treasury Department is
11 not competitive, they would have a complaint about this.
12 Because they could do businesses anywhere in the world, with
13 any other bank in the world, they would want competitive
14 pricing.

15 We would take this complaint and explain to the
16 Treasury and we will intermediate to reduce the pricing or the
17 percentage, and we would try to connect relations between them.
18 We would help them to understand each other.

19 (Continued on next page)

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HCFPATI3

Atilla - Direct

1 Q. I'm going to go to Iran in a minute. Before I do that, did
2 you deal with global customers that were American?

3 A. A lot.

4 Q. And can you give us some examples -- well, withdrawn.

5 Does Turkey have a bank secrecy law that prohibits
6 disclosure of bank information?

7 A. Yes. There is a decree that we cannot share the
8 confidentiality of the customers related to their names or
9 their positions in the bank, their account positions in the
10 bank. There is a confidentiality agreement, but I don't think
11 declaring their name would be wrong.

12 Q. So if you can just tell us the names of some of the very
13 large global companies that you dealt with, American or
14 otherwise, that didn't deal with Iran?

15 A. Most of them were working with Iran.

16 Q. All right. How about ones that didn't?

17 A. I can't remember right now.

18 Q. On the ones that worked with Iran, did you work with
19 Coca-Cola?

20 A. I had many correspondence with Coca-Cola. I had very many
21 meetings with them, but I don't know if they did --

22 THE INTERPRETER: Right, sorry. Withdraw, please.
23 Not meetings, but correspondence with them, but I don't
24 remember if they did do any of their transactions through
25 Halkbank.

HCFPATI3

Atilla - Direct

1 Q. Did you do work with Cargill and Bunge?

2 A. Yes. We did many transactions with them, not only with
3 Iran, but outside of Iran as well.

4 Q. And what are Cargill and Bunge?

5 A. Bunge, Cargill and ADM are big global food companies.

6 Q. American?

7 A. I'm not sure if they're American, but they're in New York
8 Stock Exchange. I believe they are. They have institutions in
9 Switzerland and they have organizations in Switzerland; so I
10 don't know the origin.

11 Q. And just, by the way -- let's talk about the U.S. sanctions
12 against Iran that were talked about in the trial, and I want to
13 focus again generally on the period, let's go from 2010 to
14 2017. Are you generally knowledgeable about U.S. sanctions
15 involving Iran?

16 A. I know the general lines of it.

17 Q. Did you consider yourself an expert?

18 A. No, I'm not an expert.

19 Q. Okay. Tell us how you came to have an understanding of --
20 withdrawn.

21 In your job, did you deal with sanctions from other
22 places other than the United States?

23 A. I didn't do anything specially, but because I was informed
24 about the sanctions, I had some knowledge.

25 Q. Bad question. There were United Nations' sanctions in

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1 place, as well, correct?

2 A. Correct. Yes, there are.

3 Q. And the EU, the European Union, also had sanctions; is that
4 correct?

5 A. Yes, there are.

6 Q. Canada had sanctions in place, correct?

7 A. I have to be open, I don't know about Canada.

8 Q. Okay. All right. Would you explain, please, the process
9 of how you became knowledgeable about U.S. sanctions, when you
10 first became aware of them, and how you became educated on
11 them?

12 A. There is a department called foreign relations under the
13 operations department, and under this department, there is a
14 special department called sanctions department. If I'm not
15 mistaken, it's about ten people in this department. It could
16 be ten to 15, I don't remember.

17 Q. Do you mean in sanctions or foreign operations, which one?

18 A. In the sanctions department. The colleagues in this
19 department would summarize if there are any changes in the
20 sanctions regulations, and they would make a report to the
21 general directors. Not just to the directors, but they would
22 send this to everyone. They would send this information to any
23 related departments or sections in the bank. And usually they
24 would translate this to the language that we could all
25 understand. I don't mean Turkish when I say "language" here.

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1 They would basically simplify this for the people to understand
2 who are time short, a short time.

3 THE COURT: Short of time?

4 THE INTERPRETER: Short of time, yes.

5 Q. You mean they would take a set of regulations, and they
6 would summarize it down into a shorter version to make it
7 easier to understand?

8 A. Yes. Otherwise, you have to end up reading many, many
9 pages that it's very complicated, and it would take a lot of
10 time. It's not just time, but there are specific things that
11 you have to be informed about it, especially the meaning of
12 them, of the codes, of the product, what do they mean, which
13 product has dual usage under that description, and there are
14 many details about the subject.

15 Therefore, they would do their own department's work,
16 and they would send a summary of this work to other departments
17 and other directors in the bank. And if you feel like you need
18 more explanation about these details, you could go back and ask
19 them.

20 Q. And did you try to stay -- and you tried to keep on top of
21 these regulations; is that fair to say?

22 A. Yes. They do this very often, but let me explain this.
23 The compliance department of the bank would give us information
24 about every change and also every use, and the sanction
25 department would give detailed information about the changes

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1 and all the regulation updates. Because it's very detailed
2 process, you cannot deal with it just by knowing the general
3 lines of it. Therefore, this department would follow the
4 changes and updates about sanctions.

5 Q. And you were one of the people at Halkbank who would get
6 these reports from compliance and sanctions; would that be fair
7 to say?

8 A. Yes. Three or four departments will continuously receive
9 these details. For example, the operations, treasury,
10 international banking, their department, they would send these
11 updates.

12 Q. Now, did Halkbank -- again, let's focus on this period 2010
13 to 2017. Did Halkbank have relationships with United States
14 banks?

15 A. Yes, of course.

16 Q. And is it important for Halkbank to have ties to United
17 States banks?

18 A. Absolutely.

19 Q. And what would happen if Halkbank lost access to United
20 States banks?

21 A. There will be a lot of issues with banking sector. They
22 couldn't bank without having that tie.

23 Q. And how about with what you primarily do at the bank, your
24 being able to do foreign relation -- your investors and dealing
25 with issuance of bonds and the rest, how would being cut off

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1 from the banking sector affect you?

2 A. There wouldn't be any such position. There wouldn't be any
3 need for such position.

4 Q. Since you have been arrested, you have read the discovery
5 in this case, correct?

6 A. There are a lot of them I tried to read.

7 Q. Prior to you being arrested and getting those materials,
8 had you ever read the WhatsUp chats of Suleyman Aslan?

9 A. I had no idea.

10 Q. Prior to being arrested, had you heard all of these
11 telephone conversations between Reza Zarrab and Mr. Happani?

12 A. In December 2013, I had got exposed to a section of one of
13 the conversation, but I had no idea about the conversation
14 between those people. But in that day, I was shown a section
15 of a conversation. There are about 1,000 recordings and
16 transcripts that I was exposed after the discovery.

17 THE INTERPRETER: Your Honor, interpreter would like
18 to make a correction. Between 1,500 and 2,000 recordings and
19 transcripts.

20 THE COURT: Now I'm confused.

21 THE INTERPRETER: Your Honor, can interpreter give you
22 clarification?

23 THE COURT: No. I think it would be better if you
24 asked the witness, and he responds. I didn't understand
25 however many thousands.

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1 MS. FLEMING: I'm not sure I understand what the mixup
2 is there either.

3 THE INTERPRETER: Your Honor, I mixed up the number
4 about the transcript. I said 1,000, but actually, it's between
5 1,500 and 2,000.

6 THE COURT: And these are transcripts that you saw
7 when?

8 THE WITNESS: After I was in jail in discoveries.

9 BY MS. FLEMING:

10 Q. And prior to Mr. Suleyman's arrest in December of 2013 in
11 Turkey, did you have any idea that he was alleged to or being
12 paid bribes?

13 A. No, I had no idea.

14 Q. And, Mr. Atilla, did you ever take a bribe from Reza
15 Zarrab?

16 A. Never.

17 Q. Did you ever ask him for a bribe?

18 A. Never. Never from either Zarrab or anyone else.

19 THE COURT: Counsel, I'm going to stop earlier than I
20 thought. Are you in a new topic?

21 MS. FLEMING: I was. This is convenient.

22 THE COURT: Good place for you?

23 MS. FLEMING: Sure, sure.

24 THE COURT: Okay. So let's stop for the lunch break
25 at 12:30, and let's get back together at 2:00.

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1 (Jury not present)

2 THE COURT: So we'll excuse the witness for lunch.

3 2:00. And I'll be back in the courtroom at 1:00 for the
4 lawyers.

5 MR. DENTON: Your Honor, there's one thing that I
6 think we just want to put on the record at some point. It can
7 come later, but we can do it later.

8 THE COURT: Sure. That's fine.

9 (Luncheon recess)

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A F T E R N O O N S E S S I O N

1:41 P.M.

(In open court; jury not present)

THE COURT: Please be seated. So what I'd like to do, before we get the jury, is deal with two motions that have been filed by the defense, one is a motion for a mistrial, and one, the second one, which I'll do in turn, is a motion for dismissal of the indictment.

Before I start, I want to make it very clear that what I'm saying, first, in the ruling with respect to the defense mistrial motion, has no impact on the question of Mr. Atilla's innocence or guilt in this case. He is presumed to be innocent now and until such time, if it were to come to pass, that a jury may determine that he is guilty beyond a reasonable doubt. Nothing that I say today changes that fundamental principle of our legal system.

So, first motion, dated December 14, 2017, defense counsel have moved for what's called a mistrial. The government responded on the same date, and for the reasons that I'm about to describe, that motion is, respectfully, denied. One case that I'll cite is *Renico v. Lett*, 130 S. Ct. 1855, that's a decision from 2010.

By way of background, let me mention that defense counsel initially advised me that they were seeking a mistrial at a sidebar conference on December 11, 2017, and there, you'll

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1 find in the court transcript of that day, Counsel Harrison
2 saying: "Judge, the defense is moving for a mistrial at this
3 time based on what we believe is to be the extreme prejudice
4 that's coming from this witness."

5 And you'll recall the witness was former Turkish
6 Deputy Inspector Huseyin Korkmaz, who is, according to
7 Mr. Harrison then, "testifying as far as we can tell" -- this
8 is Mr. Harrison talking -- "to the contents of the Turkish
9 police file." Defense counsel acknowledged at the time that
10 there's been a reference to "my client" -- meaning
11 Mr. Harrison's client, who would be Mr. Atilla -- "a couple of
12 times as a suspect, and then there has been a description of
13 all this other evidence that, frankly, we don't think is
14 directly relevant to him. That's also prejudicial." That's a
15 quote from Mr. Harrison.

16 Then Mr. Rocco, Defense Counsel Rocco, added: "If I
17 may, I think perhaps it might be better to do this at the end
18 of the witness' direct testimony. We'll renew our application
19 for a mistrial and perhaps do the submissions then; so we've
20 heard at least what this witness has to say on direct
21 examination."

22 Some of the legal principles that I'm relying on in
23 reaching the decision to deny the mistrial are a case called,
24 which I mentioned before, *Renico v. Lett*, a Supreme Court
25 decision from 2010, where the Court states that "the decision

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1 to declare a mistrial is left to the sound discretion of the
2 judge, but the power ought to be used with the greatest caution
3 under urgent circumstances and for very plain and obvious
4 causes."

5 It has also been said by the courts, including the
6 Southern District of New York, that a mistrial is appropriate
7 only when a Court finds there is manifest necessity for such an
8 order. The standard is high and courts will only order a
9 mistrial if it is necessary to ensure the defendant a fair
10 trial.

11 I don't believe it's necessary here, and I'll explain
12 that in more detail, but some of the other authorities I'm
13 resting on include a case called *Lahr v. Fulbright*, 1996,
14 Westlaw 34393321, a Northern District case from 1996, and also,
15 *United States v. Getto*, at 729 F.3d 221, a Second Circuit case
16 from 2013. Another, let me mention is, *Erhart v. BofI Federal*
17 *Bank*, 217 Westlaw 588390, a California case from 2017.

18 Two principles that are cited in those cases are:
19 One, the exclusion of even deceptively obtained evidence
20 remains a matter within the sound discretion of the court; and,
21 also, this holding, allowing a whistleblower to appropriate
22 documents supporting believed wrongdoing also mitigates the
23 possibility that evidence of the wrongdoing will be destroyed
24 before an investigation can be conducted.

25 So, specifically now, the reasons for denying the

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1 mistrial motion include, among others, the following: First
2 and foremost, there is no necessity for a mistrial because, in
3 my judgment, Mr. Atilla has received and is receiving a
4 thoroughly fair and transparent trial. He has a very
5 professional team of attorneys, measured by the number of
6 motions or the roles various attorneys are playing. There seem
7 to be six to eight or more of them, four excellent law firms,
8 and all of whom are, obviously, conversant with the record and
9 the law, and are alert and aggressive, appropriately so, on
10 behalf of their client, Mr. Atilla. Professional Turkish
11 interpreters have also been present at all times throughout
12 these proceedings.

13 Second, Huseyin Korkmaz, whose testimony is objected
14 to in this motion by the defense, has testified upon his
15 firsthand knowledge of and participation in a 2012, 2013 police
16 investigation, which he supervised, in Istanbul, Turkey, in
17 2013. Korkmaz was a deputy inspector assigned to the police
18 force in Istanbul from approximately 2010 to 2013. He
19 graduated from the Turkish Police Department Academy in 2010,
20 third in his class of approximately 360 students. Prior to
21 attending the police academy, he studied in the Turkish police
22 college, a school -- this is a quote -- "that is established by
23 the government in order to have ranked police officers that
24 graduate from that school."

25 During his tenure in the Police Department, Korkmaz

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1 received training that pertained, among other things, to
2 analysis of criminal data, economic crimes, corruption,
3 operational tactics, et cetera. Pursuant to that
4 investigation, there were several high-profile arrests on
5 December 13, 2013, in Turkey, including, among others, alleged
6 co-conspirators in this case. That is to say, alleged, Reza
7 Zarrab and Suleyman Aslan, general manager of Halkbank. It
8 should be noted that Mr. Atilla was never arrested in Turkey.

9 Korkmaz stated that he was, among his other duties,
10 principally responsible for organizing the searches and
11 wiretaps incident to the Turkish investigation. He testified
12 also, among other things, that soon after the investigation
13 became very public on or about December 17, 2013, he, himself,
14 was reassigned from his duties as investigator, relieved of his
15 duties, prosecuted and jailed for approximately 16 months. In
16 August 2016, he fled from Turkey and described Turkey, at the
17 time, as "the country I dearly love." That is to say, he
18 described that here on his examination.

19 He left with his immediate family and with the
20 assistance of a smuggler. When asked why he left Turkey, he
21 responded -- this is a quote -- "I did not feel legally secure
22 in any way for myself. During that time, the prosecutor had
23 requested an order for arrest for myself based on a different
24 investigation. I understood this time to be a time where
25 rights to defend one's own freedoms and freedoms of an

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1 individual and freedoms as a human being, were taken away. So
2 I took my wife and daughter and I left the country that I
3 dearly love."

4 (Continued on next page)

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1 THE COURT: He testified further that he took with
2 him, principally in the form of flash drives and information
3 stored on his hard disc, both of which were password protected,
4 detailed information developed during the police investigation.
5 He obtained the investigation evidence with the help of a
6 former Turkish prosecutor and another individual, both of whom
7 were working on the investigation.

8 Korkmaz clearly described this extensive evidence here
9 in court as including audio recordings, scanned portions of the
10 investigative file, photographs, expert reports, and some
11 digital versions of evidence such as statements.

12 He explained that because he was the coordinator of
13 the investigation, nearly all the information from the
14 investigation came before him.

15 Korkmaz unequivocally acknowledged that his taking the
16 files was unlawful. He explained his actions in part as
17 follows. He said, "I believed that the evidence would never be
18 brought up in court, and that it would be damaged or destroyed.
19 So I took the initiative in order to preserve the evidence."

20 Korkmaz also testified -- oh, there is another quote I
21 wanted to mention to you about why he left Turkey. When asked
22 why he left Korkmaz testified, similar to what I've said
23 already, "I did not feel legally secure in any way for myself.
24 During that time, the prosecutor had requested an order for
25 arrest for myself, based on a different investigation. I

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1 understood this time to be a time where rights to defend one's
2 own self and freedoms of an individual and freedoms as a human
3 were taken away. So I took my wife and my daughter, and I left
4 the country that I dearly love." that's in the December 11,
5 2017, transcript.

6 As I said a minute ago, Korkmaz unequivocally
7 acknowledged that his taking the files was unlawful. He
8 explained his actions in part as follows, and I quote again, "I
9 believed that the evidence would never be brought up in court,
10 and that it would be damaged or destroyed, so I took the
11 initiative in order to preserve the evidence."

12 Korkmaz also testified, "As I was graduating from the
13 police academy, I took an oath of justice, and I did not agree
14 with the possibility that this evidence may be destroyed one
15 day while I had the opportunity to be able to preserve them."
16 He continued, "Throughout my education, on the cover of every
17 textbook that I read, I read something that is in the address
18 that was given by" he said Atatürk, I assume he meant the
19 founder of modern secular Turkey, Mustafa Kemal Atatürk, "that
20 Atatürk said to Turkish youth, and what I was supposed to do
21 was taught to me through these trainings. And just because a
22 corruption investigation was touching upon some politicians, I
23 could not look away from it, and I knew, of course, that this
24 was a crime, but I still went ahead with it."

25 Korkmaz testified that he took evidence because he did

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1 not agree with these pieces of evidence to be taken away from
2 justice being served, and he was afraid that this evidence
3 would be altered or destroyed.

4 Korkmaz testified also, among other things, that when
5 the Turkish police investigation began in 2012, its focus was
6 upon gold smuggling engaged in by defendant Reza Zarrab, among
7 others. It also considered laundering of criminal proceeds and
8 committing crimes with others as part of an organization.

9 That investigation soon naturally, it appeared,
10 expanded to include bribery of public and Halkbank officials,
11 and document forgery. The investigation ultimately implicated
12 some of the very highest public officials in Turkey and some of
13 their family members as well as the general manager of
14 Halkbank.

15 Korkmaz testified that he had listened to the
16 intercepts, the wiretaps, from the investigation in Turkey, and
17 reviewed transcripts of the recorded conversations about which
18 he testified in this court. He stated that he did not himself
19 conduct any physical surveillance, but that he was aware that
20 Mr. Atilla did not appear in the physical surveillance photos
21 amassed, and that the money, the cash, depicted in the photos
22 did not come from or go to Mr. Atilla.

23 Korkmaz also explained in detail during his testimony
24 the process by which phone calls in Turkey, apparently, may
25 lawfully be intercepted and be recorded, which process he

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1 claimed to have followed scrupulously. He explained that among
2 the many legally required steps the prosecutor would seek a
3 written order from the court in order to implement an intercept
4 or wiretap, as is the case in the United States. The court
5 would have to authorize the intercept, and the prosecutor would
6 have to sign off and assign someone to implement the
7 interception. The investigators' technical office team would
8 go to the appropriate agency, that is to say the antismuggling
9 and organized crime unit, in Ankara, and those personnel would
10 send the intercept instructions. They would be reviewed by a
11 legal department, which reviews the details of any intercept
12 order, and the order would then be fulfilled.

13 The audio investigation files would remain prior to
14 their being downloaded, and thereafter, staff would identify
15 the recordings that reflect evidence of alleged crimes which
16 would then be transcribed. And after all of that, the audio
17 files would be downloaded. Korkmaz stated that monitoring
18 could not be done without a court order, and that all the
19 intercepts in the investigation were carried out pursuant to
20 court orders.

21 The Court, meaning me in this instance, believes that
22 Mr. Korkmaz's testimony is clearly relevant to the Atilla case
23 and that careful and lawful steps appear to have been taken and
24 to develop the investigation evidence. And given his unique
25 position of supervisor of the Turkish investigation, Korkmaz

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1 was able, readily, to authenticate each exhibit that he
2 discussed here in court.

3 I cite as authority *United States v. Tin Yat Chin*, 371
4 F.3d 31 (2d Cir. 2004); and a case that I cited before, *United*
5 *States v. Getto*, 729 F.3d 221 (2d Cir. 2014).

6 The third reason for rejecting the defense motion is
7 that although Mr. Korkmaz's direct testimony regarding
8 Mr. Atilla was quite limited, his testimony corroborated the
9 testimony of other witnesses, including Reza Zarrab, who
10 testified at length regarding his own involvement, that is to
11 say Zarrab's involvement, in schemes to which he pled guilty on
12 or about October 26, 2017. In which he, and, according to
13 Zarrab, Mr. Atilla participated.

14 Fourth, Korkmaz's testimony was, in the Court's view,
15 not prejudicial to defendant Atilla. Indeed, his testimony may
16 be viewed as anything but prejudicial to Mr. Atilla, which is
17 reason enough to deny a mistrial application.

18 Ironically, perhaps, as shown during the
19 cross-examination by defense counsel Mr. Harrison, Korkmaz's
20 testimony seems helpful to Mr. Atilla's defense. Korkmaz
21 testified about Mr. Atilla's non-involvement in the
22 investigation that he, Korkmaz, undertook. He was asked by the
23 assistant U.S. attorney: "What, if anything, did your
24 investigation show about whether Mr. Atilla was receiving
25 bribes?" Korkmaz answered: "That was not something that had

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1 come up."

2 And during cross-examination by Mr. Harrison, Korkmaz
3 also confirmed that he never saw or spoke to Mr. Atilla. Also
4 that photos from surveillance did not include Mr. Atilla, and
5 that money depicted in other photos did not come from or go to
6 Mr. Atilla.

7 That is why I'm saying that far from being
8 prejudicial, that testimony actually helps the defense case and
9 the defense cause in this case.

10 I'm not, by the way -- one digression -- I'm not
11 considering at this time the, I guess you'd call it a
12 smorgasbord and sometimes quite internally inconsistent
13 individual objections to Korkmaz's testimony that were lodged
14 by Mr. Harrison throughout the direct examination by the
15 government. So for example, on December 12, in the transcript
16 you'll find Mr. Harrison stating "I'm objecting based on
17 relevance, lack of foundation, chain of custody,
18 authentication, 403," and then there was a pause. He said "I
19 forgot say hearsay as well as one of the grounds." And in the
20 same transcript, Mr. Harrison said, "I just wanted to make a
21 record of our objections based on relevance, lack of
22 foundation, chain of custody, authentication, hearsay, lack of
23 personal knowledge, and subject to connection and 403, your
24 Honor." At one point, as I remember, Mr. Harrison objected to
25 a question posed by the government to Mr. Korkmaz on the

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1 grounds of speculation, even though the question pertained to
2 an action of Mr. Korkmaz who was tending to a bridge, as I
3 recall on that date, and had nothing to do further with the
4 investigation.

5 While some of the defense team appear not to
6 appreciate fully aspects of Mr. Korkmaz's testimony as I've
7 just described, the defense overall appears quite willing to
8 join a rather farfetched conspiracy theory bandwagon which has
9 been constructed and developed far outside any United States
10 courtroom. And was not, at least until defense counsel
11 Harrison cross-examined Mr. Korkmaz, part of the trial record,
12 with the possible exception of opening statements by other
13 defense counsel.

14 For example, Mr. Harrison clearly seemed on his
15 cross-examination to be arguing, without stating any basis for
16 his own claim or insinuation, that Korkmaz's job and promotion
17 as a young police investigator, who, as I said, appears to have
18 graduated third in his class from the Turkish police academy,
19 was attributable less to Korkmaz's own merits, than to the
20 support of alleged Gulenist backing.

21 Mr. Korkmaz vehemently denied this. On the
22 December 14th transcript in response to a question by
23 Mr. Lockard, Mr. Korkmaz said -- the question was "Mr. Korkmaz,
24 are you now or have you ever been a member of the Gulen
25 organization?" Mr. Korkmaz answered "No. Never."

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1 And during the cross-examination, again by
2 Mr. Harrison, defense counsel produced, seemingly out of the
3 blue, and without any explanation or any foundation, documents
4 written in Turkish only that Mr. Harrison said could be
5 construed to show in a Turkish court order and a letter written
6 in Turkish, presumably, that Mr. Korkmaz's release from prison
7 was as a result of Gulenist intervention. Mr. Korkmaz
8 maintained that he was never a Gulenist and that he had never
9 seen the documents before. He testified "That sounds very
10 illogical to me. I don't know Fethullah Gulen, I don't know
11 Turkish Judge Bazer, I don't know any of these individuals, and
12 it just doesn't make any sense to me. I don't know them. This
13 is a ridiculous thing," this is Korkmaz testifying, "that I had
14 heard about for the first time here today from you."

15 The Court permitted the defense great leeway in its
16 cross-examination of Mr. Korkmaz, as it usually does, and as
17 most of my colleagues also do to defense counsel in criminal
18 cases. But at the same time, I note that the defense's at best
19 illogical foreign conspiracy theory has no foundation in the
20 record, and is, in reality, unpersuasive and borderline
21 unprofessional, as a diversion from the issues to be decided in
22 this case.

23 And as for Korkmaz's alleged participation in an
24 alleged coup in 2016 in Turkey, Korkmaz testified that he was
25 in Istanbul that day, along with some 15 million other Turkish

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1 citizens. He also said that he had played no part, no role, in
2 any coup.

3 So that's the ruling on the denial of the mistrial
4 motion.

5 As for the motion to dismiss Rule 29, I've barely
6 had -- I can't even say I really did have opportunity
7 thoroughly to read the defense motion dated December 15, 2017.
8 I did note, and maybe this is just in my casual reading, that
9 there is a case I think attributed to me -- it probably is my
10 misreading, *United States v. Lech*, 161 F.R.D. -- the motion
11 says that in effect Mr. Atilla has suffered the kind of
12 prejudice that caused this Court to dismiss a defendant under
13 Rule 8(b).

14 I don't think they mean me, because it is a 1995
15 decision and by Judge Sotomayor before I ever came to the
16 Southern District of New York.

17 But, no worries. It will get its full consideration
18 as soon as we get a response from the government, which is the
19 next item of business. I would like a government response by
20 the close of business, say 5 o'clock tomorrow if that's
21 possible. Is that all right?

22 THE DEPUTY CLERK: Tomorrow is Saturday.

23 THE COURT: 5 o'clock tomorrow. Christine points out
24 it is Saturday and there is no close of business. I suppose
25 we'll all be working, but 5 o'clock tomorrow if you can do

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1 that.

2 MR. LOCKARD: Yes, your Honor.

3 THE COURT: As for the Rule 29 motion, so the rule
4 states the following, that is to say, Federal Rule of Criminal
5 Procedure 29. It says with respect to a motion such as this
6 one, if submitted before submission of the case to the jury,
7 after the government closes its evidence or after the close of
8 all of the evidence, the Court, on defendant's motion, must
9 enter a judgment of acquittal of any offense for which the
10 evidence is insufficient to sustain a conviction.

11 And before I go any further, let me ask if the
12 government knows if their opposition goes to the motion in its
13 entirety or to just some counts in the indictment.

14 MR. DENTON: Its entirety, your Honor.

15 THE COURT: Okay. The rule goes on to say the Court
16 may on its own consider whether the evidence is insufficient to
17 sustain a conviction. If the Court denies the motion for a
18 judgment of acquittal at the close of the government's
19 evidence, the defendant may offer evidence without having
20 reserved the right to do so. And then it says in Subsection
21 (b) reserving decision -- which is what I'm doing now. The
22 Court may reserve decision on the motion, proceed with the
23 trial, where the motion is made before the close of all the
24 evidence, submit the case to the jury, and decide the motion
25 either before the jury returns a verdict, or after it returns a

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1 verdict of guilty, or is discharged without having returned a
2 verdict. If the Court reserves decision, which I am doing, it
3 must decide the motion on the basis of the evidence at the time
4 the ruling was reserved.

5 Returning for a moment, because this is also
6 applicable to other aspects of the case, to the motion for a
7 mistrial. The numerous objections that I referred to made by
8 Mr. Harrison, there are a string of citations which clearly
9 authorize the introduction of such testimony, exhibits and
10 evidence in the case. And that is why I've allowed them into
11 the record in this case.

12 So, that's it for motion. We're going to have
13 Mr. Atilla back on the stand and we'll get the jury in just one
14 moment.

15 MR. DENTON: Your Honor, before we bring the jury out,
16 just one procedural thing with respect to the testimony. This
17 came up a little bit at the end right before our lunch break
18 with the confusion about the number of recordings. There have
19 been a number of times --

20 THE COURT: In whose testimony now?

21 MR. DENTON: In Mr. Atilla's testimony, your Honor.

22 THE COURT: Let's be specific. Please be seated for a
23 minute.

24 MR. DENTON: That was just an example of something
25 that occurred a number of times during his testimony where the

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1 witness corrected the interpretation of his testimony in medias
2 res, as it were.

3 In order to assure the record is accurately capturing
4 all of the witness's statements, which do include those
5 corrections, I think the best course is to do what was done a
6 couple of times. For the interpreters to finish the original
7 interpretation, note that they have been asked by defendant to
8 correct something, and then say whatever it is that he told
9 them to say.

10 THE COURT: Fair enough. Is that okay with you?

11 MR. ROCCO: Your Honor, can we address, there is an
12 issue about this that I think might be preferrable to address
13 at the sidebar.

14 THE COURT: About this issue?

15 MR. ROCCO: Yes.

16 THE COURT: Mr. Denton's issue?

17 MR. ROCCO: Yes.

18 (At the sidebar)

19 MS. KAY: I need to address something.

20 THE COURT: Wait.

21 MR. ROCCO: So, your Honor, during the lunch break,
22 Ms. Asiye approached me and said she was having a difficult
23 time with the simultaneous interpretation.

24 MS. KAY: Consecutive.

25 MR. ROCCO: Thank you. And feels very stressed by

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1 doing it. She's more comfortable doing consecutive. We
2 thought that perhaps the idea here might be to use the third
3 interpreter in the courtroom.

4 MR. DENTON: Mr. Bulent?

5 MR. KAMARAJU: The FBI linguist.

6 MR. ROCCO: Because --

7 THE COURT: He's going to be very unhappy.

8 MR. ROCCO: Well, we're concerned -- we're concerned
9 about --

10 THE COURT: I say that not facetiously. I think he
11 was -- it is a hard job.

12 MR. ROCCO: Ms. Asiye raised this with us.

13 THE COURT: This is a very hard job. We all
14 understand that. We'll ask him if that's --

15 MS. KAY: The pressure from the press and social
16 media, it's too high.

17 THE COURT: I've experienced the same, the same
18 pressure as a matter of fact, just so you know.

19 MS. KAY: I want to give a fair explanation.

20 THE COURT: If he's available, I'm happy to do that.

21 MR. KAMARAJU: We should just note since he is an FBI
22 linguist, as long as there is no objection or that's fully
23 recognized that he's --

24 MR. ROCCO: I just raised it.

25 MR. KAMARAJU: I want to make sure.

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1 MR. ROCCO: Sometimes I'm a man of my word.

2 THE COURT: Based on my limited Turkish language
3 skills, I thought he did an excellent job.

4 MR. ROCCO: As did we.

5 THE COURT: Let's ask him.

6 MR. BULUT: I should have left yesterday.

7 THE COURT: I told them you would say that. Would you
8 be available to take up some more interpretation?

9 MR. BULUT: Certainly, your Honor.

10 THE COURT: Starting right now?

11 MR. BULUT: Absolutely.

12 THE COURT: We'll continue with Mr. Atilla's
13 testimony. I'm just going to get the robe.

14 MR. ROCCO: Thank you, Judge.

15 (In open court; jury not present)

16 THE COURT: With the permission of counsel, during my
17 comments on the motions is one citation error. With your
18 permission I'll ask the court stenographer to correct the
19 citation correction.

20 MR. KAMARAJU: No objection.

21 THE COURT: Is that okay?

22 MS. FLEMING: I didn't hear.

23 THE COURT: During the course of my remarks, I
24 miscited numerically, not the name of the case. With your
25 permission I'm going to ask the court reporter to change that.

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1 MS. FLEMING: Of course.

2 THE COURT: Okay.

3 (Continued on next page)

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Atilla - Direct

1 (Jury present)

2 THE COURT: We're going to continue with the direct
3 examination of Mr. Atilla.

4 THE DEPUTY CLERK: Sir, before we begin, I'd like to
5 remind you that you're still under oath.

6 THE WITNESS: Yes.

7 MS. FLEMING: Thank you, your Honor. May I proceed?

8 THE COURT: Sure.

9 BY MS. FLEMING:

10 Q. Mr. Atilla, who in 2012, 2013 was the deputy attorney
11 general who was over operations?

12 THE COURT: Deputy --

13 Q. I'm sorry.

14 THE COURT: GM?

15 MS. FLEMING: You know, I don't know what I said. But
16 I heard everyone laugh. Let me ask it again.

17 THE COURT: I think you were talking about Rod
18 Rosenstein.

19 MS. FLEMING: What time is it?

20 Q. Who was the deputy general manager for operations at
21 Halkbank?

22 A. There was a gentleman named Selahattin Suleyman and a lady
23 named Ufuk Denizot. I'm not sure about the exact dates they
24 were in that team. But, I remember them to be there during
25 those years.

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Atilla - Direct

1 THE COURT: How about spelling the names for the
2 reporter.

3 MS. FLEMING: Are you ready?

4 Q. Under operations, there were three different departments,
5 right?

6 A. Yes, three or four, depending on the period.

7 Q. Could you explain what those departments were, and let's
8 focus on the time period 2012, 2013, 2014.

9 A. Yes, branch operations, foreign operations, treasury
10 operations --

11 Q. What did the foreign operations department do?

12 A. The foreign operations took care of the transactions
13 related to international operations, preparation of the
14 documents, and arranging those documents. They were also
15 responsible for following the bank's international branches
16 operations. Transactions.

17 THE INTERPRETER: Correction.

18 A. I'm not done. Just a minute, please.

19 Q. Sure.

20 A. They were also responsible for the SWIFT communication
21 between the banks. They were also responsible for the foreign
22 payments. They were also responsible for following the
23 domestic and international legislations, regulations. They
24 had -- it was a very busy department. They have many more
25 other jobs, other than the ones I just mentioned.

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Atilla - Direct

1 Q. Was the foreign operations department responsible for
2 checking and approving documentation for foreign transactions?

3 A. Yes.

4 Q. You said that they would send and receive SWIFT messages?

5 A. Correct.

6 Q. What are SWIFT messages?

7 A. A SWIFT is a communication program that is used between the
8 banks. I think its origin is Belgium. I'm not sure about the
9 exact number, but I believe it's being used over 200 different
10 countries. Among the banks of 200 countries. The -- it's
11 operated on the password protected manner, so the banks
12 exchange the password among themselves. Once this exchange of
13 the codes is completed, then the banks have a correspondent
14 banking relationship established. And after that date, if you
15 want to send a payment to another bank, this system is used.

16 Q. At Halkbank headquarters, within the foreign operations
17 department, was there a SWIFT room?

18 A. Yes, there is. And only the authorized personnel is
19 allowed in that room. The authorized personnel inspects the
20 messages and delivers them, delivers these messages to the
21 related departments.

22 Q. In the time period we're talking about, 2012 to 2014, do
23 you know how many authorized personnel worked at Halkbank
24 headquarters in the SWIFT room?

25 A. I don't know the exact number, but the number of people is

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Atilla - Direct

1 very limited because it's done on a code protected system.

2 Q. Do you know what the volume of SWIFT messages came to
3 Halkbank on average was during that time period, 2012 to 2014,
4 on a daily basis?

5 A. I don't have an idea. The bank has about five to six
6 million customers. If you consider this number, this number,
7 it should be quite a large number, I would think.

8 Q. Who was the head of foreign operations between the time
9 period of 2010 and the end of 2012, beginning of 2013?

10 A. If I'm not mistaken, between 2011 and 2012, Levent Balkan
11 was there. In the early part of 2013, he resigned. And I
12 believe one or two months after that, Hakan Aydogan started.

13 Q. You said that Levent Balkan resigned. Do you have
14 knowledge as to whether he was fired as opposed to resigned?

15 A. I know clearly that he wasn't fired. And I listened to
16 Mr. Zarrab's testimony about him, and I was very sad, and it
17 doesn't contain the truth. And as far as I know, the bank also
18 requested, made a request to him not to resign. They wanted
19 him to continue working there, and as far as I know, he
20 retired.

21 Q. The sanctions department that you described, that is
22 underneath the foreign operations department; is that accurate?

23 A. Correct.

24 Q. Are you familiar a woman named Mehtap? I'll never be able
25 to say her last name, but a woman named Mehtap.

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Atilla - Direct

1 A. I know the lady works for that department.

2 Q. In the sanctions department?

3 A. I'm guessing so.

4 Q. I'd like to direct your attention to October of 2012. Do
5 you remember hearing -- withdrawn.

6 Were you at a meeting on October 4, 2012, with Iranian
7 oil people, Suleyman Aslan and Reza Zarrab, where Suleyman
8 Aslan pointed to you, and said that the current system could
9 continue -- pointed to Reza Zarrab and said the current system
10 could continue?

11 A. In none of the meetings I've attended such a thing have
12 happened. You said October 4, right?

13 Q. Yes.

14 A. I don't have a memory about a meeting on that date. But
15 I've never attended a meeting where Reza Zarrab was present and
16 where he was told to continue with the system.

17 MS. FLEMING: Can we pull up, please, Government
18 Exhibit 204. It's in evidence so you can show it to the jury.

19 Q. Do you remember Mr. Zarrab testifying that this
20 conversation where he asked -- that he asked for, he called and
21 got permission to use the emergency lane because he was on his
22 way to a meeting at Halkbank?

23 A. I don't remember such a thing, but I read this in the
24 discoveries.

25 Q. Do you remember Reza Zarrab testified that he lied about

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Atilla - Direct

1 having the oil minister in his car when he testified here in
2 court?

3 A. I remember.

4 Q. Could we go to the first page. So, this conversation was
5 October 4, 2012. Do we see that?

6 A. I see it.

7 Q. Now, do you remember that Reza Zarrab said that at this
8 meeting were you and Mr. Aslan, as well as three Iranians,
9 Mr. Nikousokhan, the head of the financial department at the
10 National Iranian Oil Company, Mr. Alipour, the second in
11 command at NIOC, and Mr. Rajaeieh, the CEO of the Sarmayeh
12 Exchange. Do you remember him testifying that you were present
13 at a meeting with these three people and Mr. Zarrab?

14 A. I remember his testimony in here.

15 Q. Now, did you ever attend a meeting with those people?

16 A. I did not attend.

17 Q. I'd like to pull up 1-T that's in evidence conditionally,
18 please. So it can be shown to the jury. Defense Exhibit 1-T.
19 You see that on Defense Exhibit 1-T, this transcript is two
20 days later, October 6, 2012, correct?

21 MS. FLEMING: Can we go to the next page.

22 A. I see the date, yes.

23 Q. Do you see on the fourth line down Mr. Aslan is saying that
24 he's going to the old office in Gayrettepe?

25 A. "Gayrettepe."

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Atilla - Direct

1 Yes, I see it.

2 Q. That's his old office that we said we would call the old
3 headquarters?

4 A. That's correct.

5 MS. FLEMING: Could we now pull up, please, what's in
6 evidence as 206-T.

7 Q. You see on 206-T in evidence, this is dated 6:57 p.m. on
8 October 6. So, do you see that?

9 A. I see it.

10 Q. This call is between Mr. Zarrab and Mr. Happani; do you see
11 that?

12 A. I see it.

13 MS. FLEMING: Could we go to the next page, please.

14 Q. Do you see on the front at the top where Mr. Zarrab says
15 that place is taking care of the same arrangement as Abi?

16 A. I see it.

17 Q. Do you remember that Mr. Zarrab testified that he was --
18 Mr. Zarrab's testimony was that he was -- this was to make a
19 bribe, bribery arrangement with Suleyman Aslan?

20 A. I remember.

21 MS. FLEMING: Can we pull up 208-T, please, in
22 evidence.

23 Q. 208-T in evidence is between Reza Zarrab and Suleyman
24 Aslan, telephone call, two days later, on October 8, 2012; do
25 you see that?

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Atilla - Direct

1 A. I see the date here, but of course I don't know if there
2 was a conversation at that day or not.

3 Q. So this is October 8, four days after the meeting where
4 Mr. Zarrab testified that you pointed and said we'll do the
5 existing system, right?

6 A. Yes, I see that it's four days after the date that he
7 testified that he suggested that it happened.

8 MS. FLEMING: Could we turn to the next page, please.

9 Q. Do you see on the top here, that Mr. Aslan tells Mr. Zarrab
10 "We were with Mr. minister and others. I defended the matter
11 just like we had talked about yesterday. Um, he said, 'We are
12 not doing those, such as opening accounts for every company and
13 so on.' However, I indicated that, um, you were ready in terms
14 of bringing and sending money through the existing system. I
15 didn't mention your name, but, um."

16 Could we go down a little bit. "I indicated that it
17 was you. We said that you would be able to make the payment
18 for this thing through the methods we have been using thus
19 far."

20 Do you see that?

21 A. I see it.

22 Q. You're not on this phone call, are you, Mr. Atilla?

23 A. I didn't even know this was a phone conversation, but I
24 know that this has nothing to do with me.

25 MS. FLEMING: Could we go down a little farther,

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Atilla - Direct

1 please. To the next page, actually.

2 Q. If you look down, the third or third fourth entry,
3 Mr. Aslan says, "Um, the person who should have priority, just
4 a second, let me say," then Mr. Zarrab says is it Kiani Rad.
5 And then Mr. Aslan says "Nikousokhan." And do you see that
6 Mr. Zarrab says "Nikousokhan, I'm already talking with him, he
7 is my man. There is no problem there."

8 MS. FLEMING: Could you take the highlights down,
9 please.

10 Q. Then he says a little bit later down, "Nikousokhan, I'm
11 already in communication with Nikousokhan. There is no
12 problem." Then he says "I was with Nikousokhan even
13 yesterday."

14 Do you see that?

15 A. Yes.

16 Q. Were you present at any meeting on October 7 with
17 Mr. Zarrab and Mr. Nikousokhan?

18 A. I did not attend to such a meeting.

19 Q. Were you with any meeting with Mr. Aslan on October 8?

20 MS. FLEMING: Go to page two, please.

21 Q. Where, on October 8, Mr. Aslan indicated that Reza Zarrab
22 was ready in terms of bringing and sending the money through
23 the existing system?

24 A. I did not attend to any meetings where Suleyman Aslan said
25 these sentences.

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Atilla - Direct

1 Q. Do you have any understanding as to why, on October 8,
2 they're discussing conversations on October 8 and October 7 if
3 they had had the same conversation in a meeting with you on
4 October 4?

5 MR. DENTON: Objection to form.

6 THE COURT: Sustained.

7 MS. FLEMING: I'll withdraw it.

8 Q. Did you hear Mr. --

9 MS. FLEMING: You can take that down, please.

10 Q. Did you hear Mr. Zarrab testify that you were the most
11 knowledgeable person about sanctions at Halkbank?

12 A. I remember that he said such a thing here.

13 Q. Are you in fact the most knowledgeable person about
14 sanctions at Halkbank?

15 A. I'm not, but I have some knowledge.

16 MS. FLEMING: Sorry, Judge, I cut it down so I'm
17 skipping around a little bit. Forgive me.

18 THE COURT: Keep skipping.

19 MS. FLEMING: I'm trying.

20 Q. I'd like to talk about, there were times when you were
21 consulted -- or withdrawn.

22 Were there occasions where people from the sanctions
23 department or foreign operations came to you about issues that
24 arose in connection with sanctions?

25 A. Yes, there were times we exchanged information.

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Atilla - Direct

1 Q. How did it happen? What would be the occasions that would
2 bring the sanctions people or the foreign operations people to
3 you to discuss an issue? How did it come to your attention?

4 THE COURT: Are you referring to inside Halkbank?

5 MS. FLEMING: Yes, I'm sorry. Inside Halkbank.

6 A. There could be many different reasons. There could be a
7 request from customers, there could be a change in the
8 regulations, there could be a disagreement on certain subject.
9 There could be many other, many different reasons.

10 Q. Let's focus on requests from the customers. What kinds of
11 requests from customers would get you involved in a discussion
12 of something related to sanctions?

13 A. Would you like me to give examples?

14 Q. Yes, please.

15 A. I don't remember exactly, but let's say one of our
16 customers from Georgia, one of our customer wants to sell
17 trucks to Georgia, and they indicated that they need to take
18 the trucks through Iran for them to be able to sell the trucks
19 to Georgia. Because the buyer is in Georgia, and the seller is
20 in Turkey, I thought this would not have anything to do with
21 the sanctions. But the operations had a different idea because
22 they had more detailed information about it. They told me that
23 it was not good for the sanctions to send these trucks through
24 Iran on the roads. I didn't see this logical and I couldn't
25 make the connection. But they informed me about the rules of

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Atilla - Direct

1 the sanctions related to this subject. They found related
2 paragraphs in the sanctions regulations.

3 Therefore, there are such requests, sometimes branch
4 or the operations don't have enough knowledge or information.
5 The clients or the branches of the bank sometimes don't have
6 enough knowledge, so we go to the operations and ask them about
7 those particular questions.

8 Q. You described that the branches -- we haven't mentioned
9 this. Explain how the branches fit into this.

10 A. All the banks of the customer usually works with branches.
11 Only the banks work with the general headquarter. When
12 customer wants to do a business with the bank, they would go to
13 branches. And the branch will assign them a customer relations
14 person. And also both representatives will be involved with --
15 it could be a firm or it could be individual person.
16 Therefore, those representatives would follow all their
17 interactions with the branch. The clients work with the bank,
18 would go through the branches. And I believe it is the same
19 here as well.

20 Q. Did you sometimes get called and asked to intervene because
21 customers were complaining that payments were not being
22 processed because documentation was missing?

23 A. The complaints of the customers never end, they always
24 come, yes.

25 Q. And in one of the calls in February, Government Exhibit --

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Atilla - Direct

1 I'll get back to that.

2 Do you recall hearing your conversation with Reza
3 Zarrab in February?

4 A. I don't remember, but I probably will remember if I see it
5 because the ones that I read and the ones I remember are all
6 mixed up now.

7 Q. Do you remember, from what you have listened to, that you
8 called to seek documentation from Reza Zarrab in particular?
9 Do you remember calling and asking him for a partnership
10 structure?

11 A. I don't specifically remember dates that I had that call,
12 but after I listened here, I have a good idea about what it is.

13 MS. FLEMING: Can we pull up 226-T, please. This is
14 a -- it is in evidence, 226-T.

15 Q. This is February 6, 2013. You see that? Could we go to
16 page two. Do you see that? Who is Muge?

17 A. She's my assistant.

18 Q. Do you see that she placed a call to Mr. Zarrab?

19 A. That's correct.

20 Q. If you go down you say "For the pending items partnership
21 structure didn't have an official document ID or registration
22 or anything. That's why they could not use it in the
23 transaction."

24 Why are you calling Mr. Zarrab on February -- in
25 February 2013, and asking him for partnership structure

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Atilla - Direct

1 documents?

2 A. Most probably because he called me and asked me about it
3 before.

4 Q. Well, do you have a specific recollection?

5 A. I don't remember, but I'm just referring where Muge says,
6 "Um, hello again." And I believe that refers to a conversation
7 that took place before.

8 It's not in my daily routine to call the customer and
9 say this is how this is happening and what's going on with your
10 account. It's most probably the customer asked about their
11 pending transaction, and I probably checked and I'm calling him
12 back to inform.

13 Q. Was it part of your responsibilities in your job to look
14 and see whether appropriate partner structure documents had
15 been submitted for transactions to the foreign operations
16 department?

17 A. No, I have not. Such a document is not. My
18 responsibilities here, I'm telling the client that his
19 transaction did not take place because of a missing document.

20 Q. What do you mean the transaction didn't take place? What
21 hasn't taken place because the documents are missing?

22 A. What I understand here is the client's document that he
23 submitted to the bank and to the branch, and also the
24 structural document. He submitted a document to the branch and
25 the branch let the operations know when the branch look at

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Atilla - Direct

1 the -- when the operations looked at this document, and find
2 out this document is not in the standard -- up to their
3 expectations, because they thought it didn't have the legal
4 structure of the documents they usually take. Because the --
5 because this document has to come from their partnership
6 structure.

7 THE INTERPRETER: Interpreter's correction. The
8 partnership structure had to come from trade registry system.

9 A. They sent their internal documents within their company.

10 Q. Is there any place in here where you are telling Mr. Zarrab
11 how to falsify partnership structure documents?

12 A. I did not say such a thing to Reza Zarrab in any time in my
13 life.

14 Q. At any point did you teach him or tell him how to make
15 false documents?

16 A. I never said such thing.

17 Q. In fact, if we look down, he says to you that "I'll get it
18 sent right away, Mr. Hakan." Do you see that?

19 A. I see it.

20 Q. This is in February of 2013, right?

21 A. That's what I assume, that's what I see in the document.

22 Q. How many days a week were you on the road and out of the
23 office at Halkbank doing your responsibilities for your job?

24 A. It's very difficult to say. Sometimes the travel schedule
25 is heavier than others, but generally, one week in a month I

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Atilla - Direct

1 would be traveling.

2 MS. FLEMING: You can take that down.

3 Q. During the time that Levent Balkan was the head of foreign
4 operations, did you have -- withdrawn.

5 When Levent Balkan was head of the foreign operations,
6 did you have much interaction with the sanctions group or the
7 foreign operations group with regard to documentation?

8 A. Very rarely, because Levent Balkan was very much on top of
9 the topics.

10 Q. We'll get to your dealings with OFAC on behalf of the bank
11 at a later point, so let's put your dealings with OFAC to the
12 side and just talk about operations, okay?

13 Did you have an understanding, this call was as of
14 February -- February 2013. Did you have an understanding as to
15 how the sanctions regime worked in terms of Turkey being able
16 to be involved in transfers that included selling gold to Iran
17 by Turkish companies?

18 A. Of course.

19 Q. Could we walk the jury through how the oil money comes in
20 from Iran. Let's start with how the oil money gets from Iran
21 to Turkey.

22 Describe, where geographically is Turkey compared to
23 Iran.

24 A. They are neighbor countries, they share a border. They
25 also have a cultural and historical connection I would say in

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Atilla - Direct

1 some aspects. Both countries have a historic background, even
2 though it doesn't overlap 100 percent. Some customs can just
3 be shared between countries, they can have similar customs.
4 And there is a long border between Turkey and Iran, one of the
5 neighbors with the longest border.

6 MS. FLEMING: Your Honor, may I show the jury, publish
7 to the jury Defendant's Exhibit 315?

8 MR. DENTON: No objection.

9 Q. So, again, let's focus on the time period 2012, 2013, 2014.
10 That area. Putting aside United States sanctions which we'll
11 get to in one minute.

12 Are there any prohibitions between a Turkish company
13 trading with an Iranian company?

14 A. I don't think there was such a prohibition for a Turkish
15 company to work with an Iranian company. I would think this
16 way. Maybe we could evaluate the regulations about the
17 sanctions in two parts. One is in regards to the American
18 companies and also the American citizens. I'm saying this
19 because I believe the reason for these regulations is because
20 of that. And also, I believe that there are some regulations
21 that the foreign financial institutions needs to follow.

22 The reason I think this way is because a citizen in --
23 a Turkish citizen in Turkey doesn't have the means to follow
24 the American sanctions when he's doing something in Turkey.
25 However, when he needs to make a transaction where he needs to

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Atilla - Direct

1 use the financial institutions, then the financial institutions
2 can follow these regulations. And through that they could
3 inform their customers about these subjects.

4 Q. By the way, let's now focus on the Iranian sanctions with
5 regard to Halkbank. All right. We're going to talk about
6 those as they affect Halkbank.

7 THE COURT: Could I just see you for a minute.

8 (Continued on next page)

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Atilla - Direct

1 (At the sidebar)

2 THE COURT: I need to ask where you are, Ms. Fleming.
3 You've lost me completely here.

4 MS. FLEMING: I'm trying to get the background.

5 THE COURT: I think I might be representing other
6 people in the courtroom, too.

7 MS. FLEMING: I want to get his background --

8 THE COURT: How much more direct testimony are you
9 going to have with this witness?

10 MS. FLEMING: I cut a whole huge block out so I think
11 probably -- probably a day, Judge.

12 THE COURT: Another day?

13 MS. FLEMING: Probably.

14 THE COURT: Then we have a big problem. Because we'll
15 never be able to make the Christmas holiday.

16 MS. FLEMING: I'll try to cut some more out.

17 THE COURT: We have to figure out the solution to that
18 problem, because that's exactly where you're heading. And I
19 don't mean to say just because it is a time thing, I don't mean
20 to be critical, but if you look back over this transcript, you
21 know, I think, some time from now you'll say I could have done
22 half that. I've been saying that to both sides throughout
23 this, the whole trial. And that's true. This was a
24 one-and-a-half-week trial in my opinion. I've done over
25 probably 200 trials just here.

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Atilla - Direct

1 MS. FLEMING: We sat through six days of Reza Zarrab.

2 THE COURT: That was insane in my opinion. On both
3 sides. So you're just continuing that insanity.

4 MS. FLEMING: I think it is important for the jury to
5 hear --

6 THE COURT: What?

7 MS. FLEMING: What his knowledge is, what he knows,
8 talk about the transactions. I think it's important.

9 THE COURT: I think you're creating a disaster in
10 terms of timing. But --

11 MS. FLEMING: I'm not trying to, Judge.

12 THE COURT: I want to alert you to it. And I think
13 that if I'm any guide, that you're losing a lot of followers.
14 I mean on the merits.

15 MS. FLEMING: I will tell you last night seriously I
16 knocked out 30 pages out of the outline. That's why I'm
17 jumping around a little bit.

18 THE COURT: That doesn't mean that the outline was
19 correct to begin with. To knock out 30 pages from the phone
20 book doesn't -- you know what I mean.

21 (Continued on next page)

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HCF3ATI4

Atilla - Direct

1 (In open court)

2 BY MS. FLEMING:

3 Q. I want to focus on the Iranian sanctions part of the case.
4 Halkbank had a unique position in terms of being an
5 international bank located in Turkey that could handle Iranian
6 transactions. Correct?

7 A. Yes, we can say that there was not many banks other than
8 Halkbank.

9 Q. Did Halkbank take steps with Iranian transactions in terms
10 of what currency denominations it permitted to be used in those
11 transactions?

12 A. I will explain this as Halkbank can indicate which currency
13 we cannot use in those transactions. Other than that, we would
14 not get involved to the customers about which currency they
15 want to use.

16 Q. Did you permit dollars, United States dollars, to be used
17 in transactions involving Iranians?

18 A. No, we did not.

19 Q. In fact, did you send instructions out concerning that
20 topic to people at Halkbank?

21 A. It's not a note, but I sent instructions and I also gave
22 warnings to the operations. I gave the instructions to my own
23 staff, and they gave directions and instructions to the
24 operations.

25 Q. Other than dealing with OFAC, which we're going to get to,

HCF3ATI4

Atilla - Direct

1 did you have any involvement in the gold transactions that were
2 being done by Reza Zarrab's companies, involving Iran?

3 A. What do you mean by getting involved?

4 Q. Were you present at any meetings where systems were
5 discussed?

6 A. No, I did not attend any such meetings.

7 MS. FLEMING: Judge, I'm trying to jump ahead. One
8 minute.

9 Q. Do you remember Mr. Zarrab testifying --

10 MS. FLEMING: Can we please pull up Government Exhibit
11 304 in evidence.

12 Q. This is a phone conversation on May 6, 2013. Do you see
13 that?

14 THE INTERPRETER: Your Honor, interpreter has to
15 interpret what witness said. The country that he mentioned
16 before, that it was Georgia, he realizes that it was
17 Uzbekistan, not Georgia.

18 THE WITNESS: (In English) Because it seems --

19 THE INTERPRETER: When he looked at the map, it makes
20 sense to go to Iran, to go to Uzbekistan.

21 THE WITNESS: I'm sorry about that.

22 THE COURT: No problem.

23 (Continued on next page)
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HCFPATI5

Atilla - Direct

1 Q. Looking at Government Exhibit 304, do you see this is in
2 evidence as May 6th, 2013?

3 A. Yes, I see it.

4 Q. And could we turn, please, to I think it's page 1, where
5 down at the bottom, Mr. Aslan is saying that Hakan Atilla has
6 just informed me that there is a 70 million transfer from NIOC
7 to your account?

8 A. I see it.

9 Q. Now, in fact, was there a deposit to Mr. Zarrab's account
10 of \$70 million from NIOC?

11 A. There wasn't any.

12 Q. Could we pull up Defense Exhibit 329, just for the witness,
13 please.

14 Mr. Atilla, do you recognize Defendant's Exhibit 329?

15 A. Yes, I know.

16 Q. What is it?

17 A. It's the instructions that NIOC wants to do a transfer to
18 Reza Zarrab's account.

19 Q. Is it an e-mail that you received on or about May 6th,
20 2013?

21 A. Yes.

22 Q. Did you receive it at your Halkbank business address?

23 A. Yes.

24 Q. Was it a document that you received in the course of
25 regularly conducted business?

HCFPATI5

Atilla - Direct

1 A. (In English) Yes.

2 Q. Is it a document made at or about the time reflected on
3 Defendant's Exhibit 329?

4 A. Yes.

5 MS. FLEMING: Your Honor, Defendant moves 329 into
6 evidence.

7 MR. DENTON: No objection.

8 THE COURT: I'll allow it.

9 (Defendant's Exhibit 329 received in evidence)

10 BY MS. FLEMING:

11 Q. Now, this is in Turkish. Would you please explain what
12 Defendant's Exhibit 329 is?

13 A. With honor. There is an employee named Ozgur Karaman, who
14 works at operations. There was an instruction that NIOC sent
15 to the bank, to the branch he mentions in this letter.

16 It doesn't say here, but I'm explaining what it is.
17 There, he's telling me that they will give a negative answer to
18 this request from NIOC because he thinks this request is not
19 complying with the sanctions.

20 Q. And what do you mean he will give a negative reply?

21 A. They will say to the customer that they will not submit
22 this request.

23 Q. You mean it's been rejected?

24 A. Yes.

25 Q. So does the transfer ever come into Halkbank?

HCFPATI5

Atilla - Direct

1 A. There is nothing that came or left the bank. This is just
2 a request from the client. Would you like me to continue to
3 explain?

4 Q. Please explain.

5 A. And I kindly asked him to show the rules and regulations
6 for the base of rejecting this client's request because it's
7 not enough for a customer to be convinced to tell them you're
8 just rejected. You have to give some explanation that it's
9 understandable. Therefore, he sent showing me the necessary
10 regulation related to the subject in this mail. Therefore, we
11 are telling the customer what base we are rejecting the
12 customer's request.

13 Q. And did you report this rejected transfer to anyone else at
14 the bank?

15 A. I didn't report, but I gave information to Suleyman Aslan
16 about this rejection.

17 Q. And why did you give that to Suleyman Aslan?

18 A. In general, when we reject a request from a big client, we
19 give information to our upper management because normally the
20 companies may come back, and you never know who would they call
21 related to this rejection in the bank. Therefore, you have to
22 give this information to your upper management, and this also
23 goes for my branch as well, my department as well. They always
24 informed me if they reject any transactions. In that case, we
25 would know, and we would have some knowledge about this

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Atilla - Direct

1 rejection, and then we would be able to give them an answer.

2 Q. Did the bank have rejections of other clients -- bad
3 question.

4 Were there other attempted transfers that came to the
5 bank, which the bank rejected for other clients and customers?

6 A. Of course, there are many of them.

7 Q. And are those same procedures that you just described that
8 were followed here, followed for those customers?

9 A. Yes, I do it. Would you like me to give an example?

10 Q. Please.

11 A. We rejected a transaction from Boeing, and I gave the
12 information about this rejection as well.

13 Q. Do you remember having a company called Onur Air wanting to
14 sell a company?

15 A. Yes. I remember them connecting to the bank. It wasn't a
16 personal connection, but they did reach out to the bank.

17 Q. And did the bank agree to do business with Onur Air?

18 A. If you allow me, I can give you the details.

19 Q. Please.

20 A. The owner of the Onur Air was a Turkish businessman. He
21 wanted to sell his airline company to Iranians. For this
22 transaction, they requested Halkbank to be involved, and we
23 requested the detailed information about the buyer in Iran.
24 They provided a name that I cannot remember at the moment, but
25 they also told us that payment for this Onur Air's sale would

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Atilla - Direct

1 go through to another person, not to the owner of the Onur Air.

2 THE INTERPRETER: There's a correction, your Honor.

3 A. They told us that the person who is trying to buy the Onur
4 Air would not make the payments, but someone else would make
5 the payments. And then we asked who was that person, and we
6 wanted to make sure we know who it is. At that time, we came
7 across a name Babak Zanjani, and we controlled the list, and we
8 realized that name was at the sanctions list, and we rejected
9 the transaction.

10 Q. Could we pull up, please -- I'm going to cut one out.

11 Nevermind, sorry.

12 I'd like to pull up, please, Government Exhibit 2511.
13 Do you remember the testimony that was adduced in the courtroom
14 concerning Government Exhibit 2511?

15 A. I remember.

16 Q. And tell us what you remember about the testimony?

17 A. I believe there is a misunderstanding because I looked at
18 these documents. I did not have any idea, before I came here,
19 about these documents. The names that you see here, the
20 Halkbank employees, they are branch employees, and they are
21 exchanging information about the customers and their customers'
22 documents in between them.

23 There is two companies here. The first one is Royal,
24 the second one is Safir, and there are two Excel sheets related
25 to those two companies. One of the files is about the bank's

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Atilla - Direct

1 payments enrollments, and the other one is about the submission
2 of the documents to the bank by the customer and their
3 completion. These are not official papers of the bank or
4 official documents of the bank that they prepared.

5 These are not the documents that are prepared from the
6 system of the bank. These are the Excel files that customer
7 representatives hold for customers. As I said, one of them is
8 the payments that bank interacts with -- intermediates with,
9 and the -- related to payments, and the other one shows
10 completion of the documents -- documentation by the customer.

11 If I don't remember wrong, in the trial, there were
12 documents that were shown in the trial about completion of the
13 submission of the documents, and it was explained like the bank
14 did some transactions and payments of the gold transactions
15 after the date that was mentioned, July 1st.

16 Q. Could we open up Royal's, the first one, the first page.

17 A. Of course, I don't know if these information is correct or
18 not. I'm just telling you what my understanding is.

19 MS. FLEMING: Can you open up the spreadsheet?
20 They're not opening.

21 MR. WHITE: 2511-1?

22 MS. FLEMING: Yes.

23 Q. So these are documents that were not prepared by Halkbank?

24 A. What I am trying to tell you is that this is not prepared
25 from the Halkbank system, but it is prepared by the

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Atilla - Direct

1 representative of the Halkbank for a customer.

2 Q. Thank you. You can take that down.

3 A. May I explain something here?

4 Q. Please. Put it back up, please.

5 A. In here, you see the dates where the bank did internal
6 transfers about the payment transactions.

7 Q. Can you tell us which column that is?

8 A. If I understand correctly, related to this document, in the
9 first column where -- the first column is where the payment
10 comes, and the second column is when the payment was done.

11 Q. The --

12 A. As far as I know, and as far as I am involved, after the
13 July regulations, the bank didn't get involved for any payments
14 in between the accounts. The information that I received from
15 the operations is that after July, the bank didn't make any
16 payments or any transactions related to the gold transaction.
17 But I don't know when the client completed the documentation
18 related to those.

19 Q. So you're saying that the bank did not mediate any
20 transactions after the July 1st, 2013, cutoff; is that correct?

21 A. That is what I was informed. That's what I know.

22 Q. And, in fact, did you, at some point after July 1st, take
23 steps to collect documentation to help the branches close out
24 their files?

25 A. Yes, it's very possible because sometimes when you receive

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Atilla - Direct

1 the payment or when you complete the documents are not at the
2 same time period.

3 Q. Can you take that down. I'd like to go to April 2013, and
4 could we please pull up Government Exhibit 295-T.

5 Now, do you remember hearing this phone call played
6 during the trial on April 10th, 2013, between yourself and Reza
7 Zarrab?

8 A. Yes, I remember that I listened.

9 Q. And this call was on April 10th at 11:45 in the morning,
10 correct?

11 A. That's what I assume related to these documents, on these
12 documents.

13 Q. Can we open it to the next page, please. Now, do you
14 recall this conversation and Mr. Zarrab's testimony about it?

15 A. Yes, I remember.

16 Q. And do you recall that this is the conversation where
17 Mr. Zarrab said that he was lying to you, you did not know the
18 food was fake?

19 A. Yes, I remember that he lied to me, he said.

20 Q. And at the bottom of page 2, you're asking him: Will you
21 give a letter of credit to the other side? Do you see that?

22 A. Yes, I remember.

23 Q. Now, earlier today you were in the courtroom when Turkish
24 Airlines put in the airline tickets that showed that you were
25 on a flight in the afternoon, correct?

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Atilla - Direct

1 A. Yes.

2 Q. You can take that down.

3 And do you recall that it was on April 10th, said
4 Mr. Zarrab, that Mr. Suleyman picked up the phone and called
5 you and told you, you will do this; do you remember that?

6 A. Yes, I remember that he lied again.

7 Q. And if we pull up Government Exhibit 297-T, this is on
8 April 10th, 2013. Mr. Zarrab is speaking to Mr. Happani,
9 right? Now, you, just within the last hour, landed in
10 Barcelona, right?

11 And if you go to the next page, you remember -- maybe
12 it's the third page. Go to the next page. Down in the middle,
13 "Hakan Atilla threw a wrench in the gears, and he threw this
14 thing"?

15 A. I see it.

16 Q. A little above that, Mr. Zarrab tells Mr. Happani: "The
17 man made the call in my presence;" do you see that?

18 A. I see it.

19 Q. Again, did Mr. Suleyman make any phone call to you on
20 April 10th?

21 A. Nobody called me about any illegal transactions, and I did
22 not receive any such a call from Suleyman Aslan. During that
23 period, I was in an airplane with my family.

24 Q. Could we please pull up Government Exhibit 298-T. Now,
25 this is on April 10th at 8:02 p.m.; do you see that? And the

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Atilla - Direct

1 participants to this call are Reza Zarrab and Hakkan Aydogan;
2 do you see that?

3 A. Yes, I see it.

4 Q. And at this point, Mr. Aydogan is the head of foreign
5 operations, correct?

6 A. That's correct.

7 Q. Could we open this up, please.

8 And now, do you recall that Mr. Zarrab testified about
9 this call?

10 And do you recall that he testified that he was lying
11 to Mr. Aydogan?

12 A. I remember.

13 Q. And if you look down here, Mr. Aydogan is questioning him.

14 Can we go to the next page, please.

15 And started to talk about how the foods are going --
16 starting in Argentina, Pakistan, Russia, all go through Dubai;
17 do you see that?

18 A. Yes.

19 Q. And then he continues to go on. If we could keep going
20 down and move to the next page.

21 Mr. Zarrab is telling him about how it's going to
22 work. Do you see that?

23 A. At the beginning of the page?

24 Q. And he and Mr. Aydogan are talking about how the financial
25 transactions with regard to this are going to work vis-a-vis

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Atilla - Direct

1 the documents, correct?

2 MR. DENTON: Objection.

3 THE COURT: Sustained.

4 Q. What do you understand that Mr. Zarrab and Mr. Aydogan are
5 talking about in this conversation?

6 A. First of all, I would like to say this. People told here
7 for a very long time what I was trying to say or what I was
8 thinking, and how they were reading my mind about my means.

9 I don't want to do the same thing. I don't want to
10 give meaning on the things that what people are talking. I
11 will just tell you what I can read here.

12 What I read here is Aydogan is trying to understand
13 the concept of the trade that Mr. Zarrab wants to proceed.

14 Q. And is that what your conversation was like in the morning?

15 A. It was definitely like that. I also was trying to
16 understand what type of process he was going to take in his
17 transaction because his request or his billing of doing food
18 trade was told -- was told by the branch to us.

19 And the branch told us that he was going to buy the
20 goods from other countries, and they would sell to Iran,
21 through us. In such a situation, I would like to explain what
22 actually relates to my position. Otherwise, I'm not involved
23 with or it doesn't matter to me what they buy or what they
24 sell.

25 What involves me in this situation is if they will get

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Atilla - Direct

1 a credit letter from the country that they will purchase the
2 goods from, I have to look at the credit limits of the banks
3 where I am supposed to get the letter of credits from, the
4 other banks, because every bank has a credit limit with the
5 related or corresponding banks that they work with.

6 If there is a credit -- letter of credit comes to your
7 attention, for you to be able to accept that, first you have to
8 have a limit with that bank, credit limit with that bank.
9 Therefore, I have to get information about which countries he
10 will work with or which banks he will work with. That's why it
11 was interesting me the details of the transactions.

12 Q. Could we pull up, please, Defendant's Exhibit 330-T. Do
13 you recognize 330-T?

14 A. I know the names here, yes.

15 Q. Maybe I should show you 330. Do you recognize Defendant's
16 Exhibit 330?

17 A. Yes, I saw this before.

18 Q. And what is Defendant's Exhibit 330?

19 A. The head officer of the operations e-mail to general
20 manager.

21 Q. Is that an e-mail dated April 11th, 2013, from Hakkan
22 Aydogan to Aslan Suleyman?

23 A. Yes, it looks like.

24 Q. Is it on the e-mail addresses of the Halkbank?

25 A. That's correct.

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Atilla - Direct

1 Q. Is it an e-mail kept in the regular course of business of
2 Halkbank?

3 A. Yes, that's correct.

4 Q. Is it a document made at or about the time reflected in the
5 document?

6 THE COURT: We'll let it in.

7 MS. FLEMING: Thank you, your Honor.

8 (Defendant's Exhibit 330 and 330-T received in
9 evidence)

10 MR. DENTON: Your Honor, could we just have a brief
11 sidebar? There's one issue with this exhibit.

12 THE COURT: All right. We'll take five minutes.

13 (Continued on next page)
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Atilla - Direct

1 (At the side bar)

2 MS. FLEMING: Here's what they have. Do you want to
3 see, Judge?

4 THE COURT: I just want to hear what the problem is.

5 MR. DENTON: The top part of the exhibit is redacted.
6 We want to know what the basis for the redaction is.

7 MS. FLEMING: This is how I got it from the bank.

8 MR. DENTON: All right. We don't think he can
9 authenticate it.

10 THE COURT: So do you want to just note your
11 objection?

12 MR. DENTON: We object to it both because he hasn't
13 authenticated it and because there's no basis for the
14 redaction. The bank is, obviously, not a security entity or
15 anything like that.

16 THE COURT: I got you.

17 MR. DENTON: So we don't think it should be admitted.

18 MS. FLEMING: Actually, you know what --

19 THE COURT: Okay. That should be noted on the record.
20 You can inquire on cross.

21 MR. DENTON: I certainly plan to, your Honor.

22 (Continued on next page)

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Atilla - Direct

1 (Recess)

2 (In open court; jury present)

3 THE COURT: Please be seated, everybody.

4 MS. FLEMING: May I proceed, your Honor?

5 THE DEPUTY CLERK: Not yet. Sir, again, I'd like to
6 remind you that you're still under oath.

7 THE DEFENDANT: Thank you, I know.

8 MS. FLEMING: I'm sorry. Now?

9 THE COURT: Sure.

10 BY MS. FLEMING:

11 Q. Mr. Atilla, I think when we broke --

12 MS. FLEMING: I think Defendant's Exhibit 330 and
13 330-T are in evidence. Can we publish them for the jury,
14 please.

15 Q. Now, could you please -- this document is April 11th, 2013,
16 correct? Where are you on April 11th, 2013?

17 A. I was in Barcelona.

18 Q. And what is Defendant's Exhibit 330?

19 A. The head of the operations sending an e-mail to a general
20 manager.

21 Q. And what is he informing him about in this e-mail?

22 A. He is informing him about transactions of Royal food
23 company about the process of the transactions was related to
24 Reza Zarrab.

25 Q. And this is the day after the conversation between Hakkan

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Atilla - Direct

1 Aydogan and Reza Zarrab, right?

2 A. That's what I understand because there was a phone call in
3 between two of them related to this subject.

4 Q. And you are not copied on this e-mail, 330, correct?

5 A. No, I'm not copied here.

6 MS. FLEMING: Could we pull up Defendant's Exhibit 331
7 and 331-T, please. Just for the witness, please.

8 Q. Do you recognize Defendant's Exhibit 331?

9 A. Yes.

10 Q. What is it?

11 A. The head of the operations sending me an e-mail.

12 Q. It is an e-mail from Hakkan Aydogan to you on April 11th,
13 2013; is that correct?

14 A. Yes, he's informing me.

15 MS. FLEMING: Your Honor, we offer Defendant's
16 Exhibit 331 and 331T as a business record.

17 MR. DENTON: We have the same objection about the
18 redaction.

19 THE COURT: So maybe, Ms. Fleming, you could explore
20 that?

21 Q. Do you know what the redacted portions are?

22 A. I don't know.

23 MS. FLEMING: Your Honor, we'll take steps to find out
24 over the weekend.

25 THE COURT: Okay. The objection is noted for the

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Atilla - Direct

1 record.

2 (Defendant's Exhibit 331 and 331-T received in
3 evidence)

4
5 MS. FLEMING: May we publish to the jury?

6 THE COURT: Yes.

7 THE DEFENDANT: I don't know about the other documents
8 either when the black occurs.

9 BY MS. FLEMING:

10 Q. Now, this April 11th, 2013, document, you are still in
11 Barcelona, sir?

12 A. Yes, I'm still there.

13 Q. And what is happening in this document?

14 A. He's informing me about the information that he relayed to
15 the general manager.

16 Q. And could you go to page 2 on 331-T, please, and is that
17 basically the same information that we just saw that he also
18 advised Mr. Suleyman -- Mr. Aslan about?

19 A. Yes.

20 Q. Now, incidentally, do you have the authority to decide what
21 documents a customer should submit to the foreign operations
22 department?

23 A. No, I don't have such a position.

24 MS. FLEMING: All right. Could we pull up, please,
25 Defense Exhibit 332 and 332-T for the witness.

HCFPATI5

Atilla - Direct

1 Q. Mr. Atilla, do you recognize Defendant's Exhibit 332?

2 A. Yes, I saw this.

3 Q. And what is Defendant's Exhibit 332-T?

4 A. Again, it's an e-mail that was sent to me from foreign
5 operations department.

6 Q. Is this from Hakkan Aydogan to you on April 13th, 2013, at
7 Halkbank?

8 A. That's correct.

9 MS. FLEMING: Your Honor, we move Defendant's
10 Exhibit 332 and 332-T into evidence.

11 MR. DENTON: Same objection.

12 THE COURT: You'll look into this? He objected
13 because of the redaction.

14 MS. FLEMING: As I said, we'll try to inquire over the
15 weekend, your Honor.

16 THE COURT: Objection is noted.

17 (Defendant's Exhibit 332 and 332-T received in
18 evidence)

19 BY MS. FLEMING:

20 Q. Mr. Atilla, what is reflected in 332?

21 A. There is a phone and text utilization system in Turkey, and
22 it's talking about the source of that information. And they
23 are telling me that they looked at that, and they communicated
24 about this first. And there was a subject that they decided,
25 as a principle first, and he's explaining how they resolved the

HCFPATI5

Atilla - Direct

1 problem between the client and themselves related to that
2 principle. Would you like me to explain that in the short
3 version?

4 Q. Please.

5 A. It's very difficult to remember things from three, four
6 years ago, but I'm trying to refresh my memory from the
7 readings I've done and things that I listened.

8 Mr. Zarrab wanted to transfer the payment from a
9 foreign country before he bought the goods from that company.
10 He wanted to make the payments before the goods arrived. Our
11 base principle at the bank, not to make any payments or any
12 transactions before the goods are purchased. Therefore, Zarrab
13 suggestions that he would make the payments for the goods and
14 he would complete the documents related to these purchases
15 later on, did not get accepted.

16 The bank requested to do a transactions first and the
17 payments after. This letter shows that what kind of solution
18 that came up with about this issue that arised. Because Zarrab
19 was saying if he didn't send the money, the seller would not
20 send the goods, and the Halkbank was saying before the goods
21 were arriving -- arrived, they wouldn't make a payment. He is
22 explaining how they resolved this issue.

23 They requested to open an account for this seller
24 inside of Halkbank. Therefore, the seller knew that he would
25 get the money in his Halkbank account, but he wouldn't take the

HCFPATI5

Atilla - Direct

1 money out before the goods arrived to the location.

2 Q. Do you see where it says, in the bottom of 332: "We are
3 not taking the risk of transfer overseas before the process is
4 completed"?

5 A. Yes, I see it.

6 Q. Is that what you are referencing in terms of that the money
7 still stays in the bank until the process goes, until the goods
8 are shipped?

9 A. Yes, that is it.

10 Q. And what documents was the customer required to present to
11 the bank in order to show that the goods have shipped?

12 A. The bank requested transfer documents, bill of lading, the
13 invoices. Other than that, surveillance reports. Generally,
14 they requested the routine documents that they would request
15 from anyone.

16 (Continued on next page)

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HCF3ATI6

Atilla - Direct

1 Q. Defendant's Exhibit 332 is dated April 15, 2013. Do you
2 see that that's a Monday? When did you return from Barcelona?

3 A. I believe I came back on Sunday, that's how I remember.
4 Usually the Mondays are busy after vacation. I believe that
5 Hakan Aydogan couldn't reach me because I was in meetings. And
6 there is a committee called APKO, Active and Passive Committee,
7 it is about asset and liabilities. Therefore, he e-mailed me.

8 Q. Do you recall that when Mr. Zarrab testified, he said that
9 when lower rank employees at the bank entered a number for the
10 bill of lading --

11 A. I remember.

12 Q. Wait. Just to finish my question.

13 They would not be able to trace whether the shipment
14 actually occurred. Do you remember his testimony about that?

15 THE INTERPRETER: Could interpreter ask for
16 repetition, please.

17 Q. Do you remember --

18 "Q. So how did you respond when Atilla asked you whether you
19 could provide a bill of lading?"

20 MR. DENTON: Objection.

21 MS. FLEMING: I'll do it in a question. Withdrawn.

22 Q. Do you remember that Mr. Zarrab testified that he couldn't
23 get a -- he didn't want to get bills of lading because it would
24 affect whether goods could be traced, whether they were
25 shipped? Do you remember him testifying about that?

HCF3ATI6

Atilla - Direct

1 A. I remember.

2 Q. Are you aware of any place that employees can enter bill of
3 lading numbers and trace whether goods are shipped?

4 A. I don't know if such system was discovered yet. I would
5 like to explain for people to understand, if you allow me.

6 Q. Please explain.

7 A. People buy services and goods from all over the world and
8 these purchases can happen in far away. It could be in South
9 America. It could be North Europe. It could be Australia. If
10 one company puts, loads a good to a ship and gives bill of
11 lading of those goods, if they give a document that they
12 prepared from their own company, and at the system that it's
13 not possible to understand how many digits in that number or in
14 that system, how would a person in Halkbank working in Halkbank
15 would know to enter which system and what number is entered.

16 THE INTERPRETER: Sorry, correction. Interpreter's
17 correction.

18 A. How would Halkbank know this number was entered from
19 Australia and the goods were loaded. This is not logical. It
20 is a story. You cannot follow an item with the number of bill
21 of lading. If there is a system, and I don't know, that's my
22 mistake. And I'm sure if there was such a system, Reza Zarrab
23 wouldn't give fake bills of lading to China. I'm sure the
24 Chinese banks has this system since we have it.

25 Q. If we look back at Defendant's Exhibit 332, that's dated

HCF3ATI6

Atilla - Direct

1 Monday, April 15, 2013. Do you remember the testimony with
2 regard to where Mr. Zarrab was during the week between April 15
3 and April 22 while he was here on the stand?

4 THE COURT: I don't understand the question.

5 Q. Do you remember Mr. Zarrab testifying as to his various
6 whereabouts during the week between April 15 and April 22?

7 A. I don't remember it clearly. I think he didn't say
8 something very clearly.

9 Q. Do you remember him saying he was in Dubai, for example,
10 getting customs documents?

11 A. Yes, that I remember.

12 Q. Do you also recall him saying he could not remember the
13 date of the meeting where you gave him the information for this
14 system?

15 A. I do, because such a meeting did not take place.

16 Q. Well, do you recall that he said it was some time in the
17 fourth or fifth month of the year, he couldn't pin it down any
18 better than that?

19 A. I remembered him saying that, but I believe that if a
20 person builds such an important complex system, and forgets the
21 dates, it's not possible. That's why I believe that he wasn't
22 telling the truth.

23 MR. DENTON: Your Honor, we object to that and move to
24 strike the commentary.

25 THE COURT: I'll allow it.

HCF3ATI6

Atilla - Direct

1 MS. FLEMING: Can we pull up, please, Government
2 Exhibit 1002 and 1002-T at page 23. If we look at the entry at
3 7:25:55 on April 22. On T, on the English it's on page 23. It
4 starts at 7:11. The third one down. The next one too.

5 Q. That says "No, we don't have a problem in the food. Do you
6 have a problem with the method posed by Hakan Atilla."

7 A. Yes, I see it.

8 Q. And that is April 22, correct?

9 A. Yes. Yes, that's the date written here.

10 Q. Did you have any meeting with Suleyman Aslan and Reza
11 Zarrab between that e-mail on April 15, and September -- I'm
12 sorry -- April 22, 2013 on the subject of any method proposed
13 by you?

14 A. No, I wasn't at such a meeting and I don't know what he is
15 talking about.

16 Q. Could you go, please, to the entry for 11:27:23 on 4/22.

17 Did you ever, other than the conversation that we
18 listened to on the morning of April 10 when you were inquiring
19 about the letter of credit, did you ever propose any kind of
20 methods or documentations to Reza Zarrab concerning food trade?

21 A. No, I did not propose. No, the bank had another opinion
22 about his demand to make the payment before the transfer of the
23 food, the bank had a counter proposition to his demand. Like
24 in the detail Mr. Hakan Aydogan suggested. And if the bank has
25 the capacity to find a solution, the bank would do this for

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Atilla - Direct

1 every customer. It's not a method, and it is not a -- it's not
2 something proposed by me.

3 THE COURT: Ms. Fleming, I'm going to have to cut you
4 off. I'm going to want to excuse the jury. Friday, 4:35, and
5 it's snowing out there. So we're going to let them go home.
6 We'll excuse the witness for today.

7 THE WITNESS: Thank you.

8 THE COURT: And ask everybody if they can be back on
9 Monday at 9:15 and remembering my instructions over the
10 weekend, particularly, please do not talk to each other about
11 the case or about anyone who has anything to do with it until
12 the end of the case when you go to the jury room to deliberate
13 on your verdict.

14 Second, do not talk with anyone else about this case,
15 or about anyone who has anything to do with it, until the trial
16 has ended, and you have been discharged as jurors.

17 Third, please do not let anyone talk to you about the
18 case, or about anyone who has anything to do with it, and if
19 someone should try and talk to you about the case, please
20 report that to Christine or me immediately.

21 Fourth, please do not read any news or internet
22 stories or articles or blogs or listen to any radio or TV or
23 internet or cable TV reports about the case or about anyone who
24 has anything to do with it.

25 Fifth, please not do any type of research or any type

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1 of investigation about the case on your own.

2 So I'll see you Monday at 9:15. Thanks so much.

3 (Jury excused)

4 THE COURT: For the lawyers, please don't leave
5 tonight until you get a copy of the draft jury instructions, we
6 haven't done all of them. We've done half. So we're going to
7 have a charge conference on this half on Monday at 8. So meet
8 you here in the courtroom at 8 o'clock. And let me tell you
9 what you'll have. You have roughly pages 1 through 30, 1
10 through 29. 1 through 30. And then you'll have some pages at
11 the end and we'll do those at 8 on Monday. And then plan to
12 have the second charge conference on Tuesday for the balance of
13 the instructions. So thanks. See you Monday.

14 How many more witnesses do you have?

15 MR. ROCCO: We may have one more witness, Judge.

16 THE COURT: Have that witness here Monday.

17 MR. ROCCO: Absolutely, your Honor.

18 THE COURT: And will that be it?

19 MR. ROCCO: We believe so.

20 THE COURT: Have that person here on Monday.

21 MR. ROCCO: Yes, Judge.

22 (Adjourned until December 18, 2017, at 8 a.m.)
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MEHMET HAKAN ATILLA	
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Direct By Ms. Fleming1899
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GOVERNMENT EXHIBITS

Exhibit No.	Received
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97041884
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DEFENDANT EXHIBITS

Exhibit No.	Received
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3261888
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3361896
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3001914
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3021915
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3331927
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3071939
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330 and 330-T2012
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331 and 331-T2016
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332 and 332-T2017
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